



Annual Report **2019**

Building Value
For Tomorrow



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CORPORATE INFORMATION

DIRECTORS

Dato' Hj Zainal Abidin Putih, Chairman
 Low Gay Teck, Managing Director
 Ferdaus Mahmood
 Dato' Ir Dr A Bakar Jaafar
 Dato' Hj Ikhwan Salim Dato' Hj Sujak
 YM Tengku Maruan Tengku Ariff
 Chiu Andrew Wah Wai
 Hoong Cheong Thard
 Dato' Pahlawan Mohd Shukri Dahlan
 Dato' Noorizah Hj Abd Hamid



SECRETARY

Lee Siw Yeng (MAICSA 7048942)
 SSM Practising Certificate No. 201908001160

AUDIT COMMITTEE

Dato' Hj Ikhwan Salim Dato' Hj Sujak, Chairman
 Dato' Ir Dr A Bakar Jaafar
 Hoong Cheong Thard

NOMINATING COMMITTEE

Dato' Hj Zainal Abidin Putih, Chairman
 Dato' Ir Dr A Bakar Jaafar
 YM Tengku Maruan Tengku Ariff

REMUNERATION COMMITTEE

Dato' Ir Dr A Bakar Jaafar, Chairman
 Hoong Cheong Thard
 Chiu Andrew Wah Wai

REGISTERED OFFICE

8trium, Level 21 Menara 1
 Jalan Cempaka SD 12/5
 Bandar Sri Damansara
 52200 Kuala Lumpur
 Tel : 603-6279 8000
 Fax : 603-6277 7061

CORPORATE OFFICE

8trium, Level 21 Menara 1
 Jalan Cempaka SD 12/5
 Bandar Sri Damansara
 52200 Kuala Lumpur
 Tel : 603-6279 8000
 Fax : 603-6277 7061
 E-mail : lgb@land-general.com
 Website : www.land-general.com

AUDITORS

KPMG PLT
 Chartered Accountants

LISTING

Main Market of Bursa Malaysia Securities Berhad

SHARE REGISTRARS

Boardroom Share Registrars Sdn Bhd (378993-D)
 (Formerly known as Symphony Share Registrars Sdn Bhd)
 Level 6, Symphony House
 Pusat Dagangan Dana 1
 Jalan PJU 1A/46
 47301 Petaling Jaya
 Selangor
 Tel : 603-7849 0777
 Fax : 603-7841 8151/8152
 E-mail : BSR.Helpdesk@boardroomlimited.com

FIVE-YEAR PERFORMANCE HIGHLIGHTS

	2019 *	2018 * RESTATE	2017 ^	2016 ^	2015 ^
OPERATING RESULTS (RM'000)					
Revenue	134,435	92,930	47,193	342,062	465,790
Profit before tax and interest (EBIT)	55,335	84,874	73,562	129,551	195,014
Profit before tax	52,893	80,465	69,752	127,172	192,338
Profit after tax	48,955	69,056	51,558	91,592	143,414
Profit attributable to owners of the Company	41,672	67,075	35,526	95,002	105,428
KEY FINANCIAL POSITION DATA (RM'000)					
Total assets	1,545,902	1,544,418	1,108,455	1,125,876	1,008,101
Total borrowings (included ICULS - liability portion)	190,525	185,700	91,736	83,505	83,800
Shareholders' fund	1,101,017	1,104,135	656,314	697,392	624,843
Total equity	1,174,715	1,125,551	672,867	701,771	691,855
Issued and paid up share capital	660,232	651,664	272,032	218,618	214,599
SHARE INFORMATION (RM)					
Basic earnings per share	0.01	0.02	0.03	0.09	0.12
Net assets per share	0.37	0.38	0.58	0.64	0.58
Share price as at 31 March	0.150	0.175	0.325	0.345	0.500
(('000))					
Number of ordinary shares issued as at 31 March	2,973,135	2,930,294	1,122,585	1,093,091	1,072,994
Weighted average number of ordinary shares in issue	2,952,582	2,711,446	1,108,471	1,086,509	883,555
FINANCIAL RATIO					
After Tax Return on Equity (%)	4.45%	6.25%	7.86%	13.13%	22.95%
Return (EBIT) on Total Assets (%)	3.58%	5.50%	6.64%	11.51%	19.34%
Gearing ratio (times)	0.17	0.17	0.14	0.12	0.13
Price to earnings ratio (times)	10.64	7.09	10.83	3.83	4.17

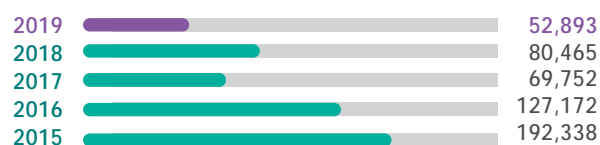
^ Figure reported based on FRS framework.

* Figure reported based on MFRS framework.

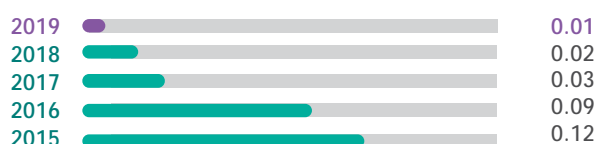
REVENUE (RM'000)



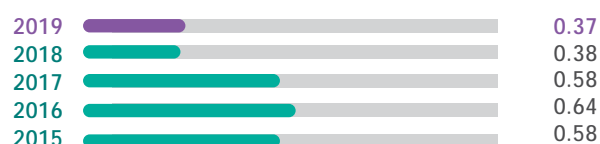
PROFIT BEFORE TAX (RM'000)



BASIC EARNINGS PER SHARE (RM)



NET ASSETS PER SHARE (RM)



DIRECTORS' PROFILE



Dato' Hj Zainal Abidin Putih

Independent Non-Executive Chairman

Dato' Hj Zainal Abidin Putih, a Malaysian male aged 73, was appointed as Chairman of L&G on 1 June 2010. He is a Fellow of the Institute of Chartered Accountants in England and Wales (ICAEW), a member of the Malaysian Institute of Certified Public Accountants (MICPA) and the Malaysian Institute of Accountants (MIA).

Dato' Hj Zainal qualified as a Chartered Accountant of the ICAEW in 1972 and has very extensive experience in audit throughout his career as a practising accountant. He also has a good working knowledge of taxation and has been involved in management consulting especially those involved in acquisition, take over, amalgamation and restructuring of companies and company flotation.

Dato' Hj Zainal was formerly the Country Managing Partner of Messrs Hanafiah Raslan and Mohamad and was an Adviser with Messrs Ernst & Young Malaysia until his retirement in 2005. He was the President of MICPA from 1989 until 1991 and the Chairman of the Malaysian Accounting Standards Board from 2003 until 2009.

He had also served in Government Agencies as the Chairman of Pengurusan Danaharta Nasional Berhad, a member of the Malaysian Communications & Multimedia Commission and a member of the Investment Panel of the Employees Provident Fund.

Dato' Hj Zainal was awarded the Darjah Setia Negeri Sembilan (D.S.N.S.) by the Yang Di Pertuan Besar Negeri Sembilan and the Jaksa Pendamai (J.P.) by the Yang Di Pertua Negeri Melaka in 1995 and 2008, respectively.

Dato' Hj Zainal is the Chairman of CIMB Bank Berhad, Dutch Lady Milk Industries Berhad and Tokio Marine Insurans (Malaysia) Berhad and sits as a Board Member of Petron Malaysia Refining & Marketing Bhd.

Dato' Hj Zainal is also the Chairman of Mobile Money International Sdn Bhd, Touch 'n Go Sdn Bhd and a director of several private limited companies. He is a trustee of the National Heart Institute Foundation (JNF) and a member of Frost & Sullivan's FinTech Advisory Council. He is also a member of the Board of Trustees of Yayasan Universiti Multimedia and an Advisor to the Advisory Board of RHL Ventures Sdn Bhd.

Dato' Hj Zainal does not have any family relationship with any Director and/or major shareholder of L&G and he does not have any conflict of interest with L&G. He has no conviction for any offences over the last five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2019.

He attended seven (7) out of seven (7) Board Meetings held during the financial year ended 31 March 2019.

Dato' Hj Zainal is the Chairman of the Nominating Committee of L&G.

DIRECTORS' PROFILE (CONT'D)



Low Gay Teck
Managing Director

Mr Low Gay Teck, a Malaysian male aged 54, was appointed as Director of L&G on 15 October 2007 and was redesignated as the Managing Director of L&G on 1 January 2008. Mr Low holds a Bachelor of Civil Engineering from Footscray Institute of Technology (now known as Victoria University), Australia.

Prior to joining L&G, Mr Low was with the Mayland Group since 1996. In 2002, he was appointed Director of the Mayland Group and assumed the position of Managing Director in 2005. Mr Low has been involved in property development and project management for the past 31 years, handling and implementing projects such as residential, commercial, shopping complex, hotel, golf course, condominium and serviced apartments.

Currently, Mr Low sits on the Board of a few subsidiaries of L&G and several private limited companies.

Mr Low does not have any family relationship with any Director and/or major shareholder of L&G and he does not have any conflict of interest with L&G. He has no conviction for any offences over the last five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2019.

He attended seven (7) out of seven (7) Board Meetings held during the financial year ended 31 March 2019.

Mr Low is a committee member of the Tabung Amanah Land & General Berhad.



Ferdaus Mahmood
Non-Independent Non-Executive Director

Encik Ferdaus Mahmood, a Malaysian male aged 64, was appointed as Executive Director of L&G on 16 June 2008 and was redesignated as Non-Independent Non-Executive Director on 1 January 2016 following his retirement as Executive Director on 31 December 2015.

Encik Ferdaus started his career as Trainee Accountant with Tractors Malaysia Bhd in 1974 and joined United Estate Projects Sdn Bhd (UEP) (initial developer of Subang Jaya, Selangor) in 1976 where his last position was the Credit Controller.

Subsequently, in 1980, Encik Ferdaus made a decisive switch in his career into the main stream of the property industry and since then has garnered extensive experience in this industry especially in the areas of marketing, sales, credit control and property management.

In 1990, Encik Ferdaus joined L&G as the General Manager in one of the property subsidiaries of L&G. In 1998, he was appointed the Chief Operating Officer to head the property operations of L&G in Australia and returned to Malaysia in 2005 to be based in Kuala Lumpur as the Director of Property Division, L&G.

Currently, he sits on the Board of Kejuruteraan Asastera Berhad and a few subsidiaries of L&G.

Encik Ferdaus does not have any family relationship with any Director and/or major shareholder of L&G and he does not have any conflict of interest with L&G. He has no conviction for any offences over the last five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2019.

He attended seven (7) out of seven (7) Board Meetings held during the financial year ended 31 March 2019.

DIRECTORS' PROFILE (CONT'D)



Dato' Ir Dr A Bakar Jaafar
Senior Independent Non-Executive Director

Dato' Ir Dr A Bakar Jaafar, a Malaysian male aged 69, was appointed as Director of L&G on 18 October 1999 and redesignated as the Senior Independent Director of L&G on 28 November 2012. He is an engineer by profession and holds a Bachelor of Engineering (Honours) degree in Mechanical Engineering from the University of Newcastle, Australia, a Master of Environmental Science from Miami University and a Doctorate in Marine Geography from the University of Hawaii at Manoa and a Honorary Doctorate in Science from University Malaysia Terengganu. On 10 February 2018, he was awarded with "Tokoh Asas 2018" from "Persatuan Alumni Sekolah Alam Shah".

He served in the Malaysian Civil Service for over 22 years in various positions including as the Director-General of the Department of Environment from 1990 to 1995. He continued to serve the Malaysian Government as the Elected-Member to the Commission on the Limits of Continental Shelf, UN HQ, New York (1997-2002) (2002-2007) (2007-2012). He is now a Professor at the Perdana Centre, Razak Faculty of Technology & Informatics of University of Technology Malaysia (UTM), as well as Director of UTM Ocean Thermal Energy Centre (OTEC).

Currently, Dato' Ir Dr A Bakar sits on the Board of several private limited companies.

Dato' Ir Dr A Bakar does not have any family relationship with any Director and/or major shareholder of L&G and he does not have any conflict of interest with L&G. He has no conviction for any offences over the last five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2019.

He attended six (6) out of seven (7) Board Meetings held during the financial year ended 31 March 2019.

Dato' Ir Dr A Bakar is the Chairman of the Remuneration Committee as well as a member of the Audit Committee and the Nominating Committee of L&G.



Dato' Hj Ikhwan Salim Dato' Hj Sujak
Independent Non-Executive Director

Dato' Hj Ikhwan Salim Dato' Hj Sujak, a Malaysian male aged 62, was appointed as Director of L&G on 1 December 2007. He holds a Bachelor of Science (Economics & Accounts) from Queen's University Belfast, United Kingdom.

In 1977, he began his career as an auditor with Coopers & Lybrand, UK and joined Nestle (M) Sdn Bhd as Finance Executive in 1979. In 1980, he moved on to be the Group Financial Planning Manager of Kumpulan Low Keng Huat Sdn Bhd.

Currently, Dato' Hj Ikhwan runs his private business, Konsortium Jaringan Selangor Sdn Bhd. He is also a Board member of Malaysia Steel Works (KL) Berhad, Glomac Berhad and several private limited companies.

Dato' Hj Ikhwan does not have any family relationship with any Director and/or major shareholder of L&G and he does not have any conflict of interest with L&G. He has no conviction for any offences over the last five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2019.

He attended seven (7) out of seven (7) Board Meetings held during the financial year ended 31 March 2019.

He is the Chairman of the Audit Committee of L&G.

DIRECTORS' PROFILE (CONT'D)



YM Tengku Maruan Tengku Ariff
Independent Non-Executive Director

YM Tengku Maruan Tengku Ariff, a Malaysian male aged 66, was appointed as Director of L&G on 1 July 2008 and was redesignated as Independent Non-Executive Director on 24 August 2011. He holds a Bachelor of Mechanical Engineering (Design) Degree from University of Huddersfield, United Kingdom.

YM Tengku Maruan started his career as a credit officer with Citibank Berhad, Kuala Lumpur ("Citibank") in 1980 where he was exposed to various aspects of the banking industry. In 1985, YM Tengku Maruan left Citibank holding the position of Manager and joined Southern Bank Berhad as the Head of Personal Banking Division where he was involved in all aspects of budgeting, credit, product marketing and business development. Subsequently in 1996, he joined Rohas Sdn Bhd ("Rohas") as the General Manager and also served on the board of several companies related to Rohas until his retirement in 2008. While in Rohas, he was responsible for various business operations such as manufacturing, education, property management and investments.

Currently, YM Tengku Maruan sits on the Board of several private limited companies.

YM Tengku Maruan does not have any family relationship with any Director and/or major shareholder of L&G and he does not have any conflict of interest with L&G. He has no conviction for any offences over the last five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2019.

He attended seven (7) out of seven (7) Board Meetings held during the financial year ended 31 March 2019.

YM Tengku Maruan is a member of the Nominating Committee of L&G.



Hoong Cheong Thard
Non-Independent Non-Executive Director

Mr Hoong Cheong Thard, a Malaysian male aged 50, was appointed as Director of L&G on 1 June 2010. He is a member of the Institute of Chartered Accountants in England and Wales (ICAEW) and holds a Bachelor in Mechanical Engineering degree from Imperial College, University of London, United Kingdom.

Mr Hoong has extensive experience in mergers and acquisitions as well as international capital markets. He was an investment banker for over 12 years and had held senior positions at Deutsche Bank, Hong Kong and UBS, Hong Kong where he was responsible for corporate finance business in Asia.

Mr Hoong was the Chief Executive Officer of China LotSynergy Holdings Ltd (a company listed on the Hong Kong Stock Exchange) (2006) prior to joining Far East Consortium International Limited ("FECIL") in September 2008 as Managing Director.

As the Managing Director of FECIL, Mr Hoong is responsible for the formulation and implementation of the FECIL group's overall strategies for development.

Mr Hoong also sits on the Board of several public companies which are incorporated and listed overseas and several private limited companies which are incorporated in Malaysia.

Mr Hoong does not have any family relationship with any Director and/or major shareholder of L&G and he does not have any conflict of interest with L&G. He has no conviction for any offences over the last five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2019.

He attended six (6) out of seven (7) Board Meetings held during the financial year ended 31 March 2019.

Mr Hoong is a member of the Audit Committee and Remuneration Committee of L&G.

DIRECTORS' PROFILE (CONT'D)



Chiu Andrew Wah Wai

Non-Independent Non-Executive Director

Mr Chiu Andrew Wah Wai, a male Chinese citizen of Hong Kong SAR aged 30, was appointed as Director of L&G on 1 April 2014.

Mr Chiu started his career as Property Executive with DTZ Hong Kong in 2008 and joined FECIL as Project Manager in 2009. Later, he became the Assistant to Chairman of FECIL.

Currently, Mr Chiu is the Executive Chairman of Land Pacific Limited, Deacon House International Limited and Ariana Social Community Limited.

Mr Chiu is the son of YBhg Tan Sri Dato' David Chiu, the major and controlling shareholder of Prestige Aspect Sdn Bhd, the holding company of Malaysia Land Properties Sdn Bhd and its subsidiaries (Mayland Group).

He does not have any conflict of interest with L&G. He has no conviction for any offences over the last five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2019.

He attended four (4) out of seven (7) Board Meetings held during the financial year ended 31 March 2019.

Mr Chiu is a member of the Remuneration Committee of L&G.



Dato' Pahlawan Mohd Shukri Dahlan

Independent Non-Executive Director

Dato' Pahlawan Mohd Shukri Dahlan, a Malaysian male aged 65, was appointed as Director of L&G on 20 November 2017. He holds a Diploma in Policing and Aviation Security Management from Edith Cowan University, Australia and Diploma in Public Administration from Institute of Technology MARA (ITM).

Dato' Pahlawan Mohd Shukri had served the Royal Malaysian Police for 37 years and had held important positions at state level including Chief Police Officer ("CPO") of Terengganu (2008 – 2010), CPO of Perak (2010 – 2013) and CPO of Selangor (2013 – 2014). In 2014, he retired as CPO of Selangor with the rank of Commissioner of Police.

Previously, Dato' Pahlawan Mohd Shukri served as the Chairman of the Senior Police Officers' Association, whose primary function was to address issues related to the welfare and service of police personnel. He is also a Director of Putrajaya Perdana Berhad and several private limited companies.

Dato' Pahlawan Mohd Shukri does not have any family relationship with any Director and/or major shareholder of L&G and he does not have any conflict of interest with L&G. He has no conviction for any offences over the last five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2019.

He attended seven (7) out of seven (7) Board Meetings held during the financial year ended 31 March 2019.

DIRECTORS' PROFILE (CONT'D)



Dato' Noorizah Hj Abd Hamid

Independent Non-Executive Director

Dato' Noorizah Hj Abd Hamid, a Malaysian female aged 59, was appointed as Director of L&G on 1 December 2018. She holds a Master in Business Administration (Finance & Management) from Central Michigan University, USA, a Bachelor of Science in Business Administration (Finance) from Central Michigan University, USA and a Diploma in Accountancy from MARA Institute of Technology.

Dato' Noorizah has more than 30 years of work experience and has extensive experience in corporate finance and strategic management. She was the Managing Director/Chief Executive Officer of PLUS Expressways International Berhad and PLUS Malaysia Berhad from 2012 to 2016 and also the Managing Director of PLUS Expressways Berhad from 2007 to 2012. Prior to that, she was the Managing Director of Faber Group Berhad and Faber Hotels Holdings Berhad from 1999 to 2007 and had also held other senior positions which include Senior General Manager Finance of Projek Lebuhraya Utara Selatan Berhad and Senior Manager of Hatibudi Management Sdn Bhd (UEM Group).

Currently, Dato' Noorizah sits on the Board of Scientex Berhad, Amanah Mutual Berhad and several private limited companies.

Dato' Noorizah does not have any family relationship with any Director and/or major shareholder of L&G and she does not have any conflict of interest with L&G. She has no conviction for any offences over the last five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2019.

She attended two (2) out of two (2) Board Meetings held during the financial year ended 31 March 2019.

KEY SENIOR MANAGEMENT PROFILE



Tan Boon Siong

Chief Financial Officer

Mr Tan Boon Siong, a Malaysian male aged 51, joined L&G on 1 March 2016 as Corporate Advisor and later was appointed as Chief Financial Officer on 1 October 2017. He graduated with a Bachelor of Commerce (Hons) Degree from University of Melbourne and is a member of Australian Society of Certified Practising Accountants and Malaysian Institute of Accountants ("MIA").

Mr Tan Boon Siong has over 28 years of work experience in audit, finance, corporate finance, investment banking and private equity roles. He has worked extensively in various capacities, which includes stints at one of the Big Four accounting firms, corporate finance and investment banking at an investment bank, Finance Director at a Malaysian conglomerate, including a 9 year stint in the United Kingdom.

Currently, Mr Tan Boon Siong sits on the Board of a subsidiary of L&G.

Mr Tan Boon Siong does not have any family relationship with any Director and/or major shareholder of L&G and he does not have any conflict of interest with L&G. He has no conviction for any offences over the last five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2019.



Jenny Chee Yuet Sin

Group Financial Controller

Ms Jenny Chee Yuet Sin, a Malaysian female aged 54, was appointed as Group Financial Controller of L&G on 1 December 2010. She holds a Professional Qualification from CPA Malaysia and is a member of Malaysia Institute of Certified Public Accountants (MICPA) and MIA.

Prior to joining L&G, Ms Jenny Chee Yuet Sin had worked as a Group Finance Manager in a public listed company and a Senior Manager with the Big Four accounting firms, PricewaterhouseCoopers and Ernst & Young. She is a Chartered Accountant with more than 22 years of experience in finance, audit and taxation covering various industries such as manufacturing & trading, hospitality and property development.

Ms Jenny Chee Yuet Sin does not have any family relationship with any Director and/or major shareholder of L&G and she does not have any conflict of interest with L&G. She has no conviction for any offences over the last five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2019.

KEY SENIOR MANAGEMENT PROFILE (CONT'D)



Tai Yoon Jen
Project Director

Mr Tai Yoon Jen, a Malaysian male aged 47, joined L&G on 10 July 2017 as Project Director. He holds a Bachelor of Development Science from National University of Malaysia and a Master of Science in Planning from University Science Malaysia. He is also a Graduate Member of Malaysian Institute of Planners.

Mr Tai Yoon Jen has over 22 years of work experience in property development and construction industries. He has worked extensively in various capacities which includes as Chief Operating Officer in KIP Group Sdn Bhd, Group General Manager of Projects in Plenitude Berhad and Deputy General Manager in Dijaya Corporation Berhad.

Mr Tai Yoon Jen does not have any family relationship with any Director and/or major shareholder of L&G and he does not have any conflict of interest with L&G. He has no conviction for any offences over the last five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2019.



Chin Foo Teck
Senior Project Manager

Mr Chin Foo Teck, a Malaysian male aged 58, joined L&G on 8 February 2012 as the Senior Project Manager in property implementation.

Mr Chin Foo Teck attained his Master in Business Administration from University of Leicester UK in 2002 and graduated with a Diploma from Tunku Abdul Rahman College, Kuala Lumpur in 1984.

Mr Chin Foo Teck has more than 33 years of experience in property development and construction industries.

Prior to joining L&G, he also held other senior position in several established public companies. He has hands-on experience in managing high rise residential building and project management of high end lifestyle residential development.

Currently, Mr Chin Foo Teck sits on the Board of a few subsidiaries of L&G.

Mr Chin Foo Teck does not have any family relationship with any Director and/or major shareholder of L&G and he does not have any conflict of interest with L&G. He has no conviction for any offences over the last five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2019.

KEY SENIOR MANAGEMENT PROFILE (CONT'D)



Chiah Hwa Kai
Senior Project Manager

Mr Chiah Hwa Kai, a Malaysian male aged 42, joined L&G on 18 July 2011 as Project Manager and was later promoted to Senior Project Manager in 2015. He holds a B. Eng (Hons) in Civil Engineering from University of Leeds and is a Graduate Member of the Institution of Engineers Malaysia.

Mr Chiah Hwa Kai has over 19 years of work experience in property development and construction industries. He has worked extensively in various capacities in his previous companies which involved in projects such as residential, shopping complex and highways.

Currently, Mr Chiah Hwa Kai sits on the Board of a few subsidiaries of L&G.

Mr Chiah Hwa Kai does not have any family relationship with any Director and/or major shareholder of L&G and he does not have any conflict of interest with L&G. He has no conviction for any offences over the last five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2019.



Jenny Yap Yin Kuen
Senior Manager, Township Development

Ms Jenny Yap Yin Kuen, a Malaysian female aged 54, was appointed as Senior Manager, Township Development of L&G on 15 October 2014. She holds an Advanced Diploma in Business & Management from Swansea Institute (associated institution of University of Wales).

Ms Jenny Yap Yin Kuen has more than 20 years working experience in the property development industry with SP Setia Berhad in various capacities and experience.

Currently, Ms Jenny Yap Yin Kuen sits on the Board of a few subsidiaries of L&G.

Ms Jenny Yap Yin Kuen does not have any family relationship with any Director and/or major shareholder of L&G and she does not have any conflict of interest with L&G. She has no conviction for any offences over the last five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2019.

KEY SENIOR MANAGEMENT PROFILE (CONT'D)



Dr Steven Baptist

Principal, Sri Bestari Private School

Dr Steven Baptist, a Malaysian aged 51, was appointed as Principal of Sri Bestari Private School on 3 June 2013. He holds a double degree in Industrial Chemistry (B.Sc. (Hons.) and Law, LLB (Hons.) from University of London. Dr Steven is also a double Masters holder in the field of Process Chemistry (M.Sc.) and Real Estate (Exec. MBA) coupled with a Doctorate in Extension Education in the field of Training Management and in specific Creative Thinking Development.

Dr Baptist has 15 years' work experience in higher education starting off as a lecturer and moving on to assume positions as programme coordinator, head of department, registrar and group human resources.

Dr Baptist does not have any family relationship with any Director and/or major shareholder of L&G and he does not have any conflict of interest with L&G. He has no conviction for any offences over the last five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2019.



Dr Wong Siew Chin

Principal, Sri Bestari International School

Dr Wong Siew Chin, a Malaysian female aged 39, was appointed as Principal of Sri Bestari International School on 8 May 2017. She holds a Bachelor of Science from University of Malaya, a Master of Science from University of Malaya and a Doctorate in Management and Education Policy from University of Malaya. She is also a Master holder in Business Administration from Monash University.

Dr Wong Siew Chin has more than 16 years of work experience in the private education sector. Prior to joining Sri Bestari International School, she has worked extensively in various capacities. She started off her career as a Lecturer in Tunku Abdul Rahman College. Dr Wong was then with Cempaka International School where she helmed various academic and management positions over the course of 14 years, from an A-Levels teacher to becoming the Head of A-Levels and later as a Principal in Cempaka Schools (National and International Schools), Cheras campus.

Dr Wong Siew Chin does not have any family relationship with any Director and/or major shareholder of L&G and she does not have any conflict of interest with L&G. She has no conviction for any offences over the last five (5) years and has not been imposed with any public sanction or penalty by the relevant regulatory bodies during the financial year 2019.

CHAIRMAN STATEMENT



**DEAR VALUED
SHAREHOLDER,**

Careful planning, prudent spending and wise insights into the property market were key factors that have contributed to our Group's continued success in achieving another year of profitability in spite of prevailing market conditions and ever-increasing competition.

It is with this positive note that I, on behalf of the Board of Directors of Land and General Berhad ("L&G" or "the Group"), am pleased to present to you our annual report for the financial year ended 31 March 2019.

CHAIRMAN STATEMENT (CONT'D)

OPERATING LANDSCAPE

In 2018, the global economy grew by 3.1% year-on-year, according to the World Bank¹. However, the same institution also predicted that global economic growth will ease to 2.6% in 2019 as a result of rising trade barriers, renewed financial stress and sharper-than-expected slowdowns in several major economies².

Closer to home, Malaysia's economy recorded year-on-year growth of 4.7% in 2018, according to Bank Negara Malaysia³. The central bank also predicted that the Malaysian economy will grow between 4.3% to 4.8% in 2019 in view of macroeconomic and domestic conditions⁴.

It is important to note that in spite of the uncertainties impacting the global economy, Malaysia's strong fundamentals have ensured our country's economic resilience and this has been critical to the success of home-grown businesses such as L&G.

For the property industry, the National Property Information Centre (NAPIC) reported a 0.6% increase in total property market transactions to 313,710 transactions in 2018. The value of transactions also rose by 0.3% to RM140.33 billion. Additionally, house prices climbed higher during the year, with the Malaysian House Price Index rising 3.1 points against 2017. These improvements send an encouraging signal that the market has bottomed-out and is on an up-trend.

Although the market is seen to be recovering, NAPIC reported that Malaysia's residential property overhang increased to a record 30.6% in volume to 32,313 units and 27% in value to RM19.86 billion at the end of 2018⁵. The growing number of completed but unsold residential units in Malaysia provides the impetus for developers to focus on developing products that meet market needs, strategically located and well-priced. Simultaneously, the Malaysian Government has also taken pro-active measures to address the overhang.

FINANCIAL PERFORMANCE

For the financial year ended 31 March 2019, L&G Group recorded a revenue of RM134.43 million (FYE2018(restated): RM92.93 million) and a pre-tax profit of RM52.89 million (FYE2018(restated): RM80.47 million).

Contributing to the Group's revenue and pre-tax profit FYE2019 were the sales and progressive billings from L&G's current projects, namely *Astoria Ampang*, *Damansara Seresta* and *Sena Parc*. Additionally, a writeback of provision of financial obligation of RM20.81 million; a writeback of accrued costs of RM9.28 million; and a writeback of impairment loss for a car park of RM7.75 million also contributed to the Group's performance.

In spite of higher revenue, the Group's pre-tax profit was lower year-on-year mainly due to higher operating expenses and lower other operating income. The corresponding period of the prior year (FYE2018) included a one-off land disposal for MRT use of RM37.18 million and the writeback of project related costs of RM45.21 million.

A more detailed discussion of the Group's financial performance can be found in the Management Discussion and Analysis (MD&A) section of this Annual Report.

DIVIDENDS

In view of the Group's performance the Board of Directors is pleased to recommend a final single tier dividend payment of 1.0 sen per share in respect of the financial year ended 31 March 2019. This dividend is subject to shareholders' approval at the forthcoming Annual General Meeting.

A single tier final dividend proposed in respect of the financial year ended 31 March 2018 of 1.5 sen per share was approved by shareholders and paid on 26 October 2018.

CORPORATE DEVELOPMENTS

On 30 April 2018, L&G exercised its Option to acquire the entire equity interest in Soho Prestige Sdn Bhd ("SPSB"). The acquisition of SPSB was completed on 16 November 2018.

CHAIRMAN STATEMENT (CONT'D)

MOVING FORWARD

Malaysia's property industry remains healthy as it emerges from its cyclical downtrend and grow from strength to strength. Although the industry is currently facing strong macroeconomic headwinds, the Group remains confident of the vitality and prospects of the property market moving forward.

Our confidence stem from the fact that house prices continue to climb and demand for well-built, well-located and well-priced properties is still strong. In addition, the Malaysian Government's multi-pronged efforts such as the Home Ownership Campaign, the easing of home financing and the re-initiation of key construction and infrastructure projects, are a timely shot-in-the-arm for the property market at large.

On our part, L&G will be vigilant in timing the market and launching our property products in a strategic manner. In the current financial year (FY2020), the Group is gearing up to launch several projects while moving forward with plans to redevelop our Sri Damansara Club land. These launches will be supported by innovative marketing and sales activities and supplemented by robust customer relations management programmes.

In addition to new launches, the Group is also planning for the future. As of 31 March 2019, our undeveloped landbank stands at 3,000 acres. We still have a lot of room to grow and we intend to unlock the value of our landbank in the most effective manner. The Group is also currently in a healthy net cash position, providing us with ample room to seize opportunities that can translate into improved value for our shareholders.

In tandem with the outlook of the operating landscape as well as the strategic plans the Group have put in place to take advantage of a rising market, the Board of Directors as well as the senior management team of L&G are concerted in our effort to deliver yet another positive performance for our 2020 financial year.

ACKNOWLEDGEMENT

My fellow Board members and I wish to commend our senior management team as well as each and every one of our dedicated, loyal and hard-working employees for turning in yet another year of profitability for the Group. We understand the challenges faced, given the soft market and intense competition, and this has made your accomplishments all the more remarkable.

We would also like to thank our customers, business associates, regulators and relevant government authorities for the continued support and cooperation. We also value the confidence and support from our valued shareholders over the years.

On behalf of the Board of Directors, I would like to welcome Dato' Noorizah Binti Hj Abd Hamid, who joined the Board as an Independent Non-Executive Director on 1 December 2018. We look forward to tapping on Dato' Noorizah's wealth of experience, specifically in corporate finance and strategic management, as we carry out our oversight and fiduciary duties for L&G.

Terima kasih.

Dato' Hj. Zainal Abidin Putih
Chairman

25 July 2019

1. <https://www.worldbank.org/en/news/press-release/2018/06/05/global-economy-to-expand-by-3-1-percent-in-2018-slower-growth-seen-ahead>
2. <https://www.worldbank.org/en/news/press-release/2019/06/04/global-growth-to-weaken-to-2-6-in-2019-substantial-risks-seen>
3. http://www.bnm.gov.my/files/publication/qb/2018/Q4/Q4_en.pdf
4. <https://www.thestar.com.my/business/business-news/2019/07/02/malaysia-to-become-high-income-nation/>
5. <https://www.theedgemarkets.com/article/residential-property-overhang-increased-30-6-2018-%E2%80%94-94-napic>
6. <https://www.thestar.com.my/business/business-news/2019/05/04/slight-up-tick-in-property-sector/>

MANAGEMENT DISCUSSION AND ANALYSIS



DEAR ESTEEMED SHAREHOLDER,

The true mettle of an organisation is often presented during challenging times.

The recent years has been testing to say the least, not only for Land & General Berhad (“L&G” or “the Group”), but also for the property industry as a whole.

In spite of this, our Group has managed to deliver profitable results year after year. This is a testament to our entire organisation’s ability to work clever and together, leveraging on decades of industry experience within our talented workforce.

Now that a silver lining is gaining strength, the Group is well positioned to rise even further, building on a stable of innovative, quality and great value property projects that are aimed at discerning home buyers and investors.

A SUCCESS-ORIENTED PROPERTY GROUP

L&G is today a premier property group that possesses a solid track record and a diverse range of on-going and future projects. The Group’s Property Division, which spearheads its property development business, remains the main income generator of the Group.

In addition, there are also other business activities conducted by the Group, namely education, oil palm cultivation, property investments and investment holding, as well as building management.

In Malaysia, the Group’s developments are focused in the high-growth Greater Klang Valley area. L&G is also involved in a joint venture development in Melbourne, Australia, called *Hidden Valley*.

When it comes to product strategy, L&G has been focusing on developing residential condominium, serviced apartment as well as township development. This emphasis is in tandem with the ever-growing demand for homes that are strategically located close to modern amenities, highways and by-ways and public transportation systems, while offering tangible value for both buyers and investors.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

In Bandar Sri Damansara, the Group leases two levels of retail space within *8trium*, a premium integrated commercial and office building. Our main tenants, *Decathlon*, a sporting goods hyperstore and *Courts*, a leading omni-channel retailer, continue to draw shoppers from around the community and beyond.

On the property investment front, L&G owns a 13-storey office tower, Menara L&G, which is located in Precinct 3, Putrajaya. Menara L&G is currently available for lease.



L&G's Education Division is managed by its wholly-owned subsidiary company, Lang Education Sdn Bhd., and encompasses *Sri Bestari Private School* (formerly known as *Sekolah Sri Bestari*) and *Sri Bestari International School* (SBIS). To date, *Sri Bestari Private School*, which offers students a comprehensive high quality education programme from Kindergarten through to Primary and Secondary levels based on the Malaysian national syllabus, has over 930 students within its three schools. SBIS began operations in September 2017. It currently has 95 students and is targeting to enroll 200 students for the coming September 2019 academic year.

As of 31 March 2019, the Group has a dedicated and diverse workforce of over 300 strong. L&G operates from its headquarters located at *8trium* as well as from various offices at key locations across its business units.

ENHANCING PRESENCE WITHIN THE INVESTMENT COMMUNITY

L&G has been listed on the Main Market of Bursa Malaysia (then known as Stock Exchange of Kuala Lumpur and Singapore) since 1968. Building further on this unique heritage, the Group continues to set its sights on becoming a sizeable organisation in terms of assets and market capitalisation, as well as a counter recognised for operational excellence and the ability to deliver sustained growth in value.

Moreover, in spite of the challenging operating landscape impacting the domestic property market, L&G has managed to sustain the growth of its assets and remained profitable, which have made its counter even more attractive to the investing community.

The dampened property market also provides L&G with a unique opportunity to acquire land at a good value, bolstering our landbank while strengthening future growth prospects. The Group is also considering strategic joint ventures with the right partners so as to be able to generate sustainable income stream in the future.

REVIEW OF FINANCIAL RESULTS

For the financial year ended 31 March 2019, the Group recorded a revenue of RM134.44 million, an increase of 45%, when compared against RM92.93 million a year ago. The improvement in revenue was due to higher contribution from both the property and education divisions.

Operating expenses increased to RM129.52 million from RM99.09 million as a result of higher property development expenditure as on-going projects were being developed for the full financial year. Meanwhile, other operating profit fell to RM52.81 million from RM88.18 million a year ago. Finance cost also reduced to RM2.44 million from RM4.41 million a year ago primarily due to the change in terms with MFRS 9 adoption.

The Group was able to record a share of income from its associate company, Country Garden Properties (Malaysia) Sdn. Bhd., in the amount of RM2.53 million in FYE2019 compared to a share of loss of RM3.30 million in FYE2018. This positive contribution came following the successful delivery of vacant possession after the completion of two phases of its residential properties.

The Group's profit before tax for the year under review was RM52.89 million, which is 34% lower when compared to RM80.47 million last year, while profit after tax was RM48.96 million against RM69.06 million. In spite of the improvement in revenue, the Group's profit was lower year-on-year as FYE 2018 profit included the land disposal for MRT use of RM37.18 million as well as the writeback of project related cost of RM45.21 million.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

In addition to the stronger contribution from its property and education divisions, L&G Group's performance in FYE2019 also saw the writeback of provision for financial obligation of RM20.81 million as well as writebacks related to the property division totaling RM17.02 million.

Basic earnings per share attributable to owners of company as at 31 March 2019 was lower at 1.41 sen compared to 2.47 sen a year ago due to lower profits and also the enlarged number of shares in issue. The enlarged number of shares was mainly contributed by the issuance of new ordinary shares during the year pursuant to the mandatory conversion of ICULS, which matured on 24 September 2018.

As at 31 March 2019, total assets of the Group was at RM1.55 billion (FYE2018 (restated): RM1.54 billion) while the gearing ratio stood at a manageable 0.17 times.

PROPERTY DIVISION

The property division registered a higher revenue of RM109.76 million (FYE2018(restated): RM68.50 million) and an operating profit of RM35.43 million (FYE2018(restated): RM86.78 million).

The division's strengthened revenue was due to the sales and progressive billings from its projects, namely, *Astoria Ampang*, *Damansara Seresta* and *Sena Parc*. The operating profit was lower this financial year due to the one-off revenue from the land disposal for MRT use of RM37.18 million and writeback of project related costs of RM45.21 million, which were recorded last financial year.

EDUCATION DIVISION

The education division recorded a revenue of RM15.67million (FYE2018(restated): RM14.36 million) and an operating profit of RM4.57 million (FYE2018(restated): RM4.98million). The increase in revenue for the division was due to higher enrolment of students. However, the operating profits for the year was marginally lower compared to last year largely due to the start-up operating cost for *Sri Bestari International School*.

OTHER DIVISIONS

The Group's other business activities are further divided into property investment, investment holding and other segment. Collectively, these segments recorded a revenue of RM9.00 million (FYE2018(restated): RM10.07 million) and an operating profit of RM12.81 million (FYE2018(restated): an operating loss of RM3.59 million).

REVIEW OF OPERATIONS

Property development: Timing the market to maximise returns

The Malaysian property market in 2018 through to the first half of 2019 remained soft. Macro-economic uncertainties coupled with high overhang in the residential property sub-segment continued to weigh down the market.

Nevertheless, the National Property Information Centre (NAPIC) recorded a marginal improvement in the market in 2018, after several years of decline. Property transactions increased by 0.6% while transaction value improved by 0.3% year on year.

Notably, the residential property sub-segment recorded an increase of 1.4% in transaction volume and 0.4% increase in transaction value with major states like the Federal Territories of Kuala Lumpur, Johor and Penang recording strengthened market activity, according to NAPIC.

Clearly, demand for residential homes that have good connectivity and are highly accessible to highways, public transportation and modern amenities will remain resilient and this trend would augur well for L&G given the profile of our residential products, which have selling propositions that are in tandem with market demand.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

Astoria Ampang (Phase 1), which consists of two tower blocks with 253 units in each block, continued to see progress of its construction during the year under review. The contemporary residential condominium that blends nature and urban amenities perfectly, is scheduled for completion in the first quarter of 2020.



Aria Rimba, L&G's 112-acre township at U10, Shah Alam, is a mixed-development project that consists of link houses, semi-detached houses, serviced apartments and affordable houses under the *Rumah Selangorku* initiative. The project, with an estimated total gross development value (GDV) of RM1.1 billion, will be developed over five phases throughout the next six years. Earthworks for *Aria Rimba* has already commenced and the development is expected to be launched from early 2020 onwards.

L&G launched *Damansara Seresta @ Bandar Sri Damansara* in the second half of 2018. The nature inspired enclave set against the Bukit Lanjan Forest Reserve continues to attract interest from both home-buyers and investors. The development offers a total of 452 units of condominium housed in a 43-storey tower and a 48-storey tower. Built-up areas of these units range from 1,300 sq. ft. to 1,800 sq. ft. with an average price of RM650 per sq.ft., *Damansara Seresta* has an estimated GDV of RM480 million and is expected to be completed by the end of 2021.



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

Sena Parc, L&G's township development in Senawang, Negeri Sembilan, of which Phase 1 of the development consists of 163 units, recorded 80 units sold with another 20 units booked.



L&G has also finalised plans for a 2,222-unit serviced apartment project in a 15.3-acre site at South Lake of The Mines in Sri Kembangan. The launch of this strategically located development project has been temporarily put on hold as we wait for market sentiments to improve.

Another project located in Taman Sri Ukay, Selangor with 4.6 acre of land consists of 522 units serviced apartments, is also in the pipeline for launch when market improves.

The proposed re-development of the Sri Damansara Club land is currently in progress. The Court Order to wind up Sri Damansara Club's interest scheme was obtained in June 2019. The Club is expected to cease operation by the 4th quarter 2019. The preparation for submission of the development plans for a mixed high rise development project is underway. The estimated GDV of the project is valued at RM2.0 billion.

Commitment Towards Quality Education

Sri Bestari Private School offers a whole host of additional academic and non-academic programmes to complement the national curriculum such as Singapore Mathematics, New South Wales Examination, Robotics and Coding as well as a Science, Technology, Engineering and Mathematics (STEM) laboratory facilities to cater to the needs of Industry 4.0.

Also infused into the school system is the Inquiry Based Science Education (IBSE) in the teaching of science. Being an ECO Green Flag school under WWF-Malaysia and the Foundation of Environmental Education, FEE Denmark, the school has invested to inculcate the principles of ecological friendly approaches and green technology in the teaching and learning with the hope of producing students who are sensitive to issues of global warming affecting the earth.

Sri Bestari Private School also has a special needs centre termed the Education and Learning Support Academy, ELSA, where we cater for students who have been assessed to be dyslexic, with mild autism and have learning disabilities.

Sri Bestari International School (SBIS) is based on the British National curriculum. SBIS has already started to gain its market presence as the population of students has tripled within one academic year as compared to when it first started in September 2017.



MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)

During the year under review, SBIS has kick-started several initiatives grounded on STEAM (Science, Technology, Engineering, Arts and Mathematics), driven with the belief that our children's growth and mindset begins here with determination.

SBIS celebrated its first milestone on the international platform when the school was ranked 6th in the world (under the Year 7 category) in the World Maths Day 2018 competition, which was held on 7 March 2018.

Although the medium of instruction is English, SBIS has placed strong emphasis on Mandarin proficiency, making Mandarin as a compulsory subject across all levels. Our students are geared towards taking the Hanyu Shuiping Kaoshi (HSK) Test, an international standardised test of Chinese language proficiency designed by the Beijing Language and Culture University. We are proud to announce that 59.1% of our students obtained an outstanding result with a perfect score of 200 in their recent HSK Test. A total of 90.1% of our students obtained a score of 90% and above, ranging from 180-200 marks.

On 3 September 2019, the international school will commence classes from its brand new building and facilities adjacent to the Sri Bestari Private School.

Risk Management

As a public listed company and an established property developer, L&G remains cognisant of the diverse forms of risk that may impact the Group during the course of its operations. The Group is focused on managing these risks with vigilance and practically, so as to protect the interest of our shareholders and stakeholders at large.

Property development remains the primary income generator for the Group and as such, L&G is susceptible to economic risks. Macro-economic factors such as interest rates, inflation rates, commodity prices, house price indices as well as business and consumer confidence can impact the profitability and performance of our Group, both directly and indirectly. In order to identify and mitigate economic risks, the L&G team pays very close attention to trends within the industry. Consistent feedback from our stakeholders are important in ensuring that we are close to the pulse of the property market.

The Group also faces competitive risks as the property sector continues to register ever-increasing number of domestic and international property developers entering the market. While competition is always healthy for the industry, L&G intends to stay ahead of the competition by being innovative, pro-active and insightful when it comes to delivering property products that meet market demand.

Operational risks can also potentially impact the Group's business. Our property and education divisions as well as other business activities have distinctive operational processes embedded throughout their respective value chain. Processes that range from customer service guidelines to occupational health and safety procedures must always be adhered to as process failure may result in loss of reputation or profit. Operational risks are managed through robust standard operating procedures (SOPs) and monitoring systems that are reviewed on a scheduled basis.

The Group's commitment towards managing risks pro-actively and comprehensively is detailed in the Statement on Risk Management and Internal Control section of this Annual Report.

Careful yet optimistic of sustained growth

The Malaysian Government has remained committed to playing a pro-active role in stimulating the property industry. Tangible efforts have been made to make it easier for qualified home buyers to acquire loans from banks. Also, in addition to initiatives like the Home Ownership Campaign (HOC), the Government has also made available other incentives for first-home purchases.

L&G believes that these efforts, particularly those related to stamp duties waiver for properties priced up to RM1 million and partial stamp duty exemption for loan agreements up to RM2.5 million, are effective measures in addressing the overhang of residential properties in the short to medium term. The HOC has also been further extended to 31 December 2019, largely due to the enthusiastic response and positive outcomes from this campaign.

For our 2020 financial year, the Group is well poised to take advantage of an upward trending market with our on-going projects in the Klang Valley, namely *Damansara Seresta* (GDV of RM480 million); *Astoria Ampang Phase 1* (GDV of RM400 million); and *Sena Parc Phase 1* (GDV of RM35 million). The Group also intends to launch its Shah Alam landed development project, *Aria Rimba*, (GDV of RM1.1 billion) in 2020.

MANAGEMENT DISCUSSION AND ANALYSIS (CONT'D)



We are also looking forward to making tangible progress on our plans to redevelop the Sri Damansara Club land, which will have an estimated GDV of RM2 billion.

At the same time, the Group is also taking a cautious approach by deferring some launches until the market strengthens further. By doing this, we are able to safeguard our financial position, while enabling us to seize opportunities that can deliver growth and value to our shareholders in the foreseeable future.

On this score, L&G is currently on the lookout for strategic landbank with attractive valuations that may become available under the current market situation. We are also considering strategic joint venture collaborations with the right partners to fully unlock the value of a given landbank.

Taking into account our healthy financial position and exciting launches that are coming up, the Group remains optimistic to achieve another profitable year for our financial year ending 31 March 2020.

Low Gay Teck
Managing Director

25 July 2019

SUSTAINABILITY REPORT

As the third year in our sustainability reporting journey, Land & General Berhad (“L&G” or the “Group”) is proud to present our Sustainability Report for the financial period 1 April 2018 to 31 March 2019 (FY2019). In this statement, we reaffirm our commitment to sustainability, which entails a balanced optimisation of economic performance, environmental protection and commitment to the society.

SCOPE OF REPORTING [102-1, 102-3, 102-4, 102-6, 102-50]

The boundary of this report includes the Group’s operations at its headquarters in Sri Damansara, Selangor, its development projects namely, Damansara Seresta, Sena Parc and Astoria Ampang, and its schools, Sri Bestari International School (“SBIS”) and Sri Bestari Private School (“SBPS”). The reporting covers activities carried out within the period of 1 April 2018 to 31 March 2019.

REPORTING FORMAT

In order to produce a meaningful report that is based on a recognised international framework, we have aligned our report with the requirements of the Global Reporting Initiative (“GRI”) Sustainability Reporting Standards (Core Option) and Bursa Securities’ Sustainability Reporting Guide (2nd Edition, February 2018). It should be noted that this is a year of transition where we build linkages from G4 to GRI Standards and move towards a more defined plan for sustainability. As applicable, the GRI indicator numbers, denoted in parenthesis next to the main titles throughout the report, reference the specific disclosure of the standards. Although this report has not been subjected to third party assurance, the Head of the Sustainability Working Group and the Steering Committee have reviewed this report for accuracy of content.

FEEDBACK [102-53]

We encourage our shareholders and other stakeholders to voice their opinions or concerns on our approach to sustainability and the development of our sustainability efforts and programmes. All inquiries and comments are to be directed to:

Tan Boon Siong
Chief Financial Officer
Land & General Berhad
Email: bstan@land-general.com
Telephone no.: +603 62798000

SUSTAINABILITY

REPORT (CONT'D)

OUR COMMITMENT TO SUSTAINABILITY

In realizing the motto of 'Building Value for Tomorrow', L&G has introduced the Group's Vision and Mission, as shown below. The Vision and Mission aims to guide our business towards long-term excellence by providing quality products and services in both the property development industry and education sector.

OUR VISION

Establish ourselves as a major and successful business group in Malaysia and the region

OUR MISSIONS

Bring in sustainable profits in the future along with a living community and environment that is both invaluable and sustainable

Prioritise long-term relationships with stakeholders to secure value and profit for all

Create development projects that upgrade and enhance lifestyles, propelling working and living environment to greater heights

Build a solid financial foundation to ensure shareholders obtain consistent returns

Based on our Vision and Mission statements, the Group has further identified four pillars (illustrated below), each representing our sustainability strategy for the management of our economic, environmental and societal opportunities and risks.

MARKETPLACE

To establish a market presence built on a solid financial foundation that ensures a sustainable revenue stream for the Group and good returns for our investors

WORKPLACE

To create a workplace that is safe, embraces diversity and provides fair and equal opportunity for employee growth and career development

ENVIRONMENT

To promote environmental stewardship in property development and education sectors
To develop sustainable and well-planned urban living spaces without compromising on our responsibility to the surrounding

COMMUNITY

To build projects of enduring value for our customers and to uplift the quality of surrounding areas, and to have a positive impact on the surrounding communities
To integrate entrepreneurship into sustainability and develop leaders for tomorrow

SUSTAINABILITY REPORT (CONT'D)

OUR CONTRIBUTION TOWARDS SUSTAINABLE DEVELOPMENT

Achieving the 17 Sustainable Development Goals (SDGs) set by the United National General Assembly in 2015 to counter major global issues such as urbanization, climate change, resource scarcity, demographic and social change and global economic condition by year 2030 entails contributions from governments, civil society and businesses.



Aligning ourselves to the aspirations of the Malaysian Government, we have adopted these goals as part of our sustainability journey. In our last year's report, we identified five SDGs that the Group commits to support directly and/or indirectly.

<p>3 GOOD HEALTH AND WELL-BEING</p>	<p>WE ARE COMMITTED TO CREATING A SAFE WORKPLACE AND PROMOTING HEALTHY LIVING AMONGST OUR EMPLOYEES</p>	<p>OUR EDUCATION DIVISION SERVES TO EDUCATE AND TRAIN OUR STUDENTS TO BE THE NEXT GENERATION OF LEADERS</p>	<p>4 QUALITY EDUCATION</p>
<p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>WE AIM TO CREATE A WORKPLACE THAT IS CONDUCTIVE TO PRODUCTIVITY AND GROWTH BY PROVIDING JOB OPPORTUNITIES AND EQUIPPING OUR EMPLOYEES WITH VARIOUS TRAINING AND DEVELOPMENT PROGRAMMES</p>	<p>WE BUILD SUSTAINABLY BY INTEGRATING THE NATURAL ENVIRONMENT WITH THE BUILT ENVIRONMENT AND PRESERVING THE HABITAT FOR MOST OF OUR DEVELOPMENT PROJECTS</p>	<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p>
<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>WE PLACE ETHICS AND INTEGRITY AT THE CENTRE OF OUR BUSINESS OPERATIONS AND HAVE POLICIES IN PLACE TOWARDS EMBEDDING SUCH VALUES THROUGHOUT OUR ORGANISATION</p>		

SUSTAINABILITY

REPORT (CONT'D)

This year, to show our contribution, we report the inter-linkages between our four main pillars, our material sustainability matters, our stakeholders and the five SDGs.

			
MARKETPLACE	WORKPLACE	ENVIRONMENT	COMMUNITY
<ul style="list-style-type: none"> Compliance Anti-Corruption Economic Performance Industry Presence Procurement Practices Public Policy and Advocacy  	<ul style="list-style-type: none"> Employee Development and Training Employee Engagement Employee and Student Benefits Diversity and Equal Opportunity Safety and Health   	<ul style="list-style-type: none"> Energy Water Waste Management Biodiversity Green Building Certification GHG Emission Eco School Status  	<ul style="list-style-type: none"> Product Quality and Services Customer Satisfaction and Responsibility Customer Privacy Local Community Contribution   
GRI INDICATORS			
102: GRI General Disclosure 204: Procurement Practices 205: Anti-Corruption 419: Socio-economic compliance	401: Employment 404: Training and Education 405: Diversity and Equal Opportunity	102: GRI General Disclosure 302: Energy 303: Water 304: Biodiversity 305: Emissions 306: Waste Management 403: Occupational Safety and Health	102: GRI General Disclosure 413: Local Communities 416: Customer Health and Safety 418: Customer Privacy
RELEVANT STAKEHOLDERS			
Shareholders & Investors, Board of Directors, Government Agencies, Industry Associations, Parents, Employees, Vendors/ Suppliers, Customers	Board of Directors, Employees, Parents	Government Agencies, Industry Associations, Communities, Employees, Parents, Media	Vendors/ Suppliers, Customers, Communities, Parents

SUSTAINABILITY REPORT (CONT'D)

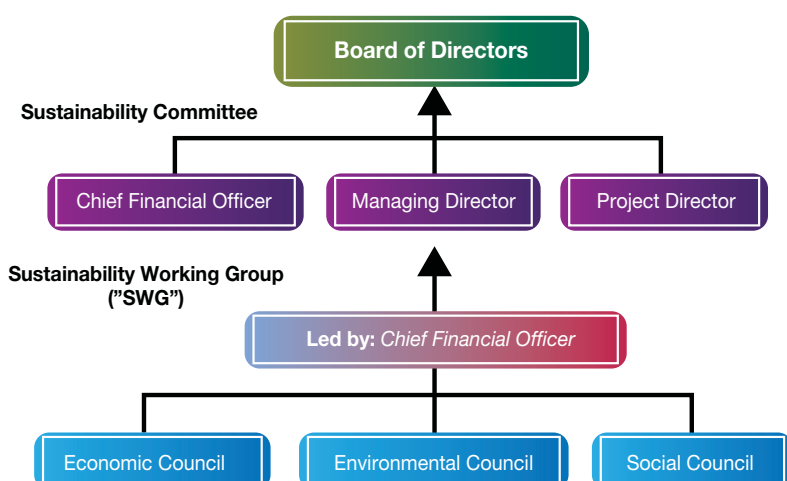
GOVERNANCE AND ACCOUNTABILITY [102-18, 102-32]

In steering our business towards sustainable practices, we established a sustainability governance structure which comprises the Board of Directors (the Board), Sustainability Committee (SC) and Sustainability Working Group (SWG).

The Board is placed at the apex of the structure and is responsible for our Group's sustainability stewardship, setting the sustainability direction at a strategic level.

Reporting to the Board is the SC which comprises the Managing Director, the Chief Financial Officer and the Project Director. The committee oversees the planning and implementation of sustainability programmes within the Group and providing oversight on sustainability-related policies, strategies and initiatives.

The SWG which consists of three main councils (Economic Council, Environmental Council and Social Council), plays a key role in identifying the material issues and correspondingly implementing the sustainability initiatives and programmes throughout the Group.



BOARD OF DIRECTORS

- Oversees the progress of the Company's sustainability initiatives
- Approves sustainability policies, strategies and initiatives as recommended by the SC

SUSTAINABILITY COMMITTEE

- Monitors the SWG's progress in sustainability initiatives implementation
- Recommends sustainability policies, strategies and initiatives
- Reports on progress of the Company's sustainability initiatives

SUSTAINABILITY WORKING GROUP

- Identifies sustainability material issues relevant to the Company's business operations
- Implements sustainability initiatives to address sustainability risks and opportunities
- Conducts engagement sessions on sustainability matters across business operations

As we forge ahead in our sustainability initiatives for the next year, our plans to strengthen the governance structure include the development of a formal Terms of Reference for the SC and the SWG; and to ensure that the responsibilities of the Board on sustainability stewardship are updated in the Group's Board Charter.

SUSTAINABILITY

REPORT (CONT'D)

STAKEHOLDER ENGAGEMENT [102-40, 102-43, 102-44]

Stakeholder is an important part of our value chain. Engaging them effectively is crucial in determining issues that are material to us and how we communicate our sustainability performance. We engage and receive feedback from a diverse range of stakeholders with the intention to improve our performance and drive long-term sustainability.

The table below presents our key stakeholders, their identified areas of interest in the Group's business operations, and our method and frequency of engagement. Each of the stakeholder is listed in descending order based on their level of priority to the Group.

Stakeholders	Areas of Interest	Methods of Engagement	Frequency of Engagement
Shareholders & Investors (Critical)	<ul style="list-style-type: none"> Group's financial performance Corporate governance and compliance Ethical business 	Annual General Meeting	Annually
		Quarterly results announcement	Quarterly
		Investor Relations page on the Group's website (concerns and queries directed to Chief Financial Officer/ Company Secretary)	As and when required
		Meeting with analysts and fund managers	As and when required
Government Agency (Critical)	<ul style="list-style-type: none"> Approval and permit Compliance with the latest regulations and requirements 	Meetings with regulators	As and when required
		Site inspections	As and when required
Board of Directors (Critical)	<ul style="list-style-type: none"> Group's financial performance Corporate governance and compliance Risk management Growth and direction of company 	Board meetings	Quarterly
		Ongoing electronic communications	As and when required
		Directors training	As and when required
Customers (Critical)	<ul style="list-style-type: none"> Product and service quality Updates on latest product and service offerings Green building certification 	Feedback and enquiry templates	As and when required
		Marketing campaigns	As and when required
		Company website and social media network	As and when required
		Student Portal and Parents' Portal	Daily
		Customer Satisfaction Survey	Annually
		Direct marketing	Daily
Parents (Education Division) (Critical)	<ul style="list-style-type: none"> Environment and surrounding of school Eco-schools certification Academic performance 	Campaigns and events	As and when required
		Open Day & Info Day	Monthly

102-40: List of stakeholder groups

102-43: Approach to stakeholder engagement

102-44: Key topics and concerns raised

SUSTAINABILITY

REPORT (CONT'D)

Stakeholders	Areas of Interest	Methods of Engagement	Frequency of Engagement
Employees (Critical)	<ul style="list-style-type: none"> • Career development • Safety and health at workplace • Work-life balance • Employee welfare and benefits • Staff training 	Performance appraisal	Biannually
		Staff e-Portal (Education Division)	As and when required
		Work safety training on site	As and when required
		Team building activities	Annually
		Annual dinners	Annually
		Sports Club	Biannually
		Best Employee Award	Annually
		Seminars and conferences	As and when required
		Training and development	As and when required
Board of Governors (High)	<ul style="list-style-type: none"> • Teaching methodology • Academic performance 	Quarterly meeting	Quarterly
		Email communication	As and when required
Vendors/ Suppliers (High)	<ul style="list-style-type: none"> • Cost of materials and services • Quality and time-efficient delivery • Legal compliance 	Contract negotiations	As and when required
		Supplier audits and evaluation	As and when required
		Vendor registration screening (pre-qualification)	As and when required
Media (High)	<ul style="list-style-type: none"> • Company reputation • Creating awareness of product offerings • Communication of corporate news 	Press conference and interviews (mainstream media and web-based platforms)	As and when required
		Advertisement	As and when required
		Write-ups in newspaper (Education Division)	Once in every 2 months
Industry Associations (Moderate)	<ul style="list-style-type: none"> • Environmental and social issues in relation to business operations • Latest building products and services • New acts and regulations relevant to business operations 	Information exchange	As and when required
		Seminars, events and networking sessions	As and when required
Civil Society Organizations (CSO) (Moderate)	<ul style="list-style-type: none"> • Environmental issues • Local community support 	Collaborations and discussions with relevant CSO	As and when required
		Corporate social responsibility activities	As and when required
Communities (Moderate)	<ul style="list-style-type: none"> • Environmental impacts • Social contribution • Community care & support 	Community engagement and outreach programmes	As and when required
		Strategic partnership (Education Division)	As and when required

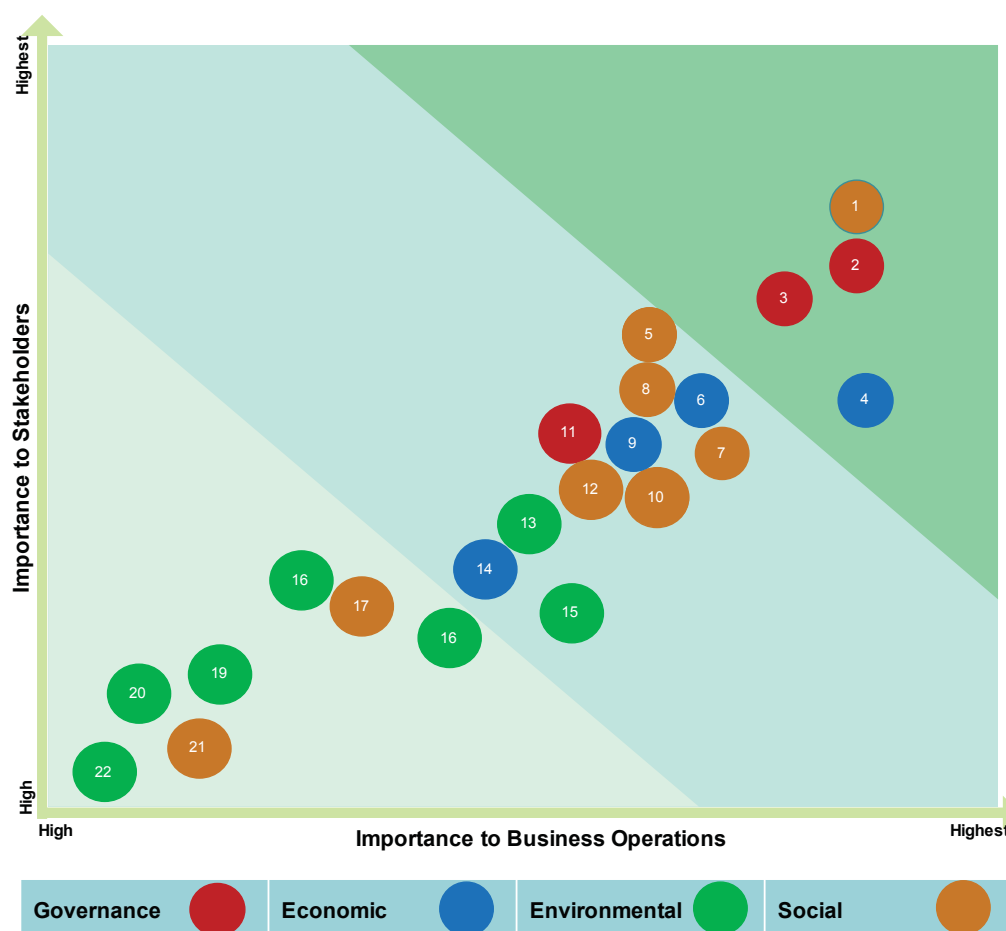
SUSTAINABILITY REPORT (CONT'D)

OUR SUSTAINABILITY RISKS AND OPPORTUNITIES

Identifying our material sustainability matters is an important step towards recognizing and prioritising the Economic, Environmental and Social (EES) opportunities and risks that arise from our business operations. In conforming to the GRI Standards, we re-assessed our material matters in 2018 to ensure the accuracy of our materiality matrix and the ranking of our material matters. This was undertaken out by improving our materiality assessment process by assigning weightage to the stakeholders according to their respective level of influence on our business operation. Representatives of the SC and the SWG participated in this process which was carried out in a workshop mode. From the materiality assessment, we have identified 22 material sustainability matters which are significant to both our business operations and our stakeholders.

MATERIALITY MATRIX [102-47]

Our revised materiality matrix, displaying the position of the 22 materiality matters relative to the degree of importance to our stakeholders and business operations is presented below.



Material Sustainability Matters

1	Product Quality and Services	8	Safety and Health	16	Waste Management
2	Customer Satisfaction and Responsibility	9	Industry Presence	17	Diversity and Equal Opportunity
3	Compliance	10	Employee Engagement	18	Biodiversity
4	Economic Performance	11	Public Policy and Advocacy	19	Green Building Certification
5	Customer Privacy	12	Employee and Student Benefit	20	GHG Emission
6	Anti-corruption	13	Energy	21	Local Community Contribution
7	Employee Development and Training	14	Procurement Practices	22	Eco School Status
		15	Water		

SUSTAINABILITY





REPORT (CONT'D)

MAPPING OUR MATERIAL SUSTAINABILITY MATTERS

The table below maps the sustainability material matters to the relevant stakeholder group(s), GRI indicators and associated SDGs. The purpose of this mapping exercise is to showcase the relevance of sustainability material matters to the stakeholders and how they are supporting the SDGs and subsequently being reported in this report.

Material Sustainability Matters	Applicable GRI Indicator(s)	Relevant Stakeholders	Relevant SDGs
1 Product Quality and Services	Marketing and Labelling	Vendors/ Suppliers, Customers	
2 Customer Satisfaction and Responsibility	GRI General Disclosure	Shareholders & Investors, Government Agencies, Parents	
3 Compliance	Compliance	Shareholders & Investors, Government Agencies, Parents	
4 Economic Performance	Economic Performance	Shareholders & Investors, Board of Directors	
5 Customer Privacy	Customer Privacy	Customers, Parents	
6 Anti-corruption	Anti-corruption	Shareholders & Investors, Government Agencies, Employees, Vendors/ Suppliers	 
7 Employee Development and Training	Training and Education	Employees, Board of Directors	
8 Safety and Health	Occupational Safety and Health	Employees, Government Agencies, Industry Associations	 
9 Industry Presence	GRI General Disclosure	Industry Associations, Shareholders & Investors	
10 Employment Engagement	Diversity and Equal Opportunity	Employees, Board of Directors	
11 Public Policy and Advocacy	Public Policy	Shareholders & Investors, Board of Directors	
12 Employee and Student Benefit	Employment, Diversity and Equal Opportunity	Employees, Board of Directors, Parents	
13 Energy	Energy	Communities, Industry Associations	
14 Procurement Practices	Procurement Practices	Shareholders & Investors, Government Agencies, Board of Directors, Customers, Vendors/ Suppliers, Industry Associations	
15 Water	Water and Effluents	Government Agencies, Communities, Industry Associations	

SUSTAINABILITY REPORT (CONT'D)

Material Sustainability Matters	Applicable GRI Indicator(s)	Relevant Stakeholders	Relevant SDGs
16 Waste Management	Effluents and Waste	Government Agencies, Communities, Industry Associations	
17 Diversity and Equal Opportunity	Diversity and Equal Opportunity	Employees, Board of Directors	
18 Biodiversity	Biodiversity	Government Agencies, Communities, Industry Associations	
19 Green Building Certification	GRI General Disclosure	Government Agencies, Industry Associations	
20 GHG Emission	Emissions	Government Agencies, Communities, Industry Associations	
21 Local Community Contribution	Local Communities	Communities	 
22 Eco School Status	GRI General Disclosure	Industry Associations, Parents, Media, Communities	

SUSTAINABILITY KEY PERFORMANCE INDICATORS (KPI)

In FY2019, we increased our sustainability momentum by defining 10 key performance indicators (KPIs) for sustainability representing nine of our material sustainability matters, namely, Product Quality and Services, Compliance, Economic Performance, Anti-Corruption, Employee Development and Training, Safety and Health, Waste Management, Procurement Practices, and Energy. We are pleased to announce the satisfactory outcome of our achievements towards realising our KPIs.

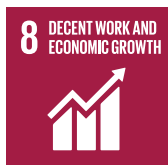
Material Sustainability Matter	KPI	Progress
Product Quality and Services (including Customer Feedback and Response)	To conduct customer satisfaction survey once a year (Net Promoter Score)	Achievement of this KPI is ongoing and will be addressed in the next year. In the interim, customers can submit their complaints via the email and website platforms.
	To achieve a minimum 65% QLASSIC score for each project	Achievement of this KPI is ongoing. A QLASSIC awareness course has been conducted for our employees.
Compliance	To achieve zero stop work orders by DOE and DOSH	Achieved.
	To commit to the principles of the Malaysian Code Corporate Governance 2017	Achieved.
Economic Performance	To increase engagements/ meetings with investing community and media	We had 19 engagements/meetings with analysts and fund managers.
Anti-Corruption	To develop internal written procedures to guide the Group towards compliance to the Malaysian Anti-Corruption Commission (Amendment) Act 2018	Work on the internal written procedures is currently underway by the Legal Department.

SUSTAINABILITY

REPORT (CONT'D)

Material Sustainability Matter	KPI	Progress
Employee Development and Training	To achieve average training hours of 2.5 hours per employee for our corporate headquarters and 10 hours per employee for our education division.	Achieved beyond the KPI with 6.5 hours per employee for our corporate headquarters and 16 hours per employee for our education division.
Safety and Health	To achieve zero man-hours lost due to occupational-related accidents	Achieved
Waste Management	To ensure that construction wastes are disposed at authorised landfills that are licensed by the Local Authority.	Achieved.
Procurement Practices	To achieve 65% local procurement for FY2019	Achieved beyond the KPI at 69% local procurement
Energy	To reduce electricity consumption at the corporate headquarters from FY2018 baseline value by 5%	Achieved beyond the KPI at 8.5% for the corporate headquarters.
	To achieve 100% of replacement of faulty conventional light bulbs to LED light bulbs/ lighting	Ongoing

MARKETPLACE PILLAR



L&G operates mainly in Greater Klang Valley area, developing primarily residential and several commercial properties. The recent development projects by the Group include high-rise developments in urban areas to support the nation's rapid urbanization. We aim to sustain the economic returns to our shareholders and contribute to the development of our local economy.

SUSTAINABILITY

REPORT (CONT'D)

ECONOMIC PERFORMANCE



We ensure returns to our investors by targeting a minimum return on assets for our investments.



We create job opportunities through employing staff and engaging suppliers, consultants and contractors.



We support community development via charitable donations and sponsorship.



We create modern lifestyle for our customers to suit today's needs of distinctiveness and adaptable environment.

PROCUREMENT PRACTICES [204-1]

One of our economic contribution apart from ensuring returns to our shareholders is to stimulate the growth of the local economy by engaging Malaysian suppliers. For our Astoria project, 63% of our material is locally procured, whereas for our Damansara Seresta and Sena Parc development projects, material that is locally procured constitutes 79% and 66% respectively. This brings the overall average to 69%. Based on our established KPI of 65%, we are pleased to announce that for FY2019 we have surpassed our target.

SUSTAINABILITY

REPORT (CONT'D)

ANTI-CORRUPTION [205-2]

We strive towards practicing our business with integrity not only within our Group and also with within our value chain. To this end, we are still developing an internal guideline to set the procedures for compliance to the Malaysian Anti-Corruption Commission (Amendment) Act 2018 to ensure we communicate risks pertaining to corruption effectively. These procedures include, but not limited to:



Relevant personnel to attend seminars/ trainings on anti-corruption



To ensure compliance of applicable laws and regulatory requirements on anti-corruption



To effectively manage the key corruption risks of the Company, Internal memo on the risks shall be circulated to all employees



To provide assurance to internal and external stakeholders on compliance to relevant laws and regulations



To encourage the use of reporting channel such as whistleblowing for suspected and actual corruption incidents



To assign a competent group or obtain external advice on anti-corruption compliance matters from time to time



To ensure each department assign a personnel to oversee anti-corruption compliance



To ensure due diligence is conducted prior to entering any formalised business relationship



To establish policies and procedures on anti-corruption, conflict of interest, gifts, entertainment, hospitality and travel, donations and sponsorships, financial controls, and approving powers



To consider external audit by third party at least once in every two years



To conduct disciplinary proceedings against personnel found to be non-compliant to the laws and regulations

**these procedures are subject to changes*

SUSTAINABILITY

REPORT (CONT'D)

ENVIRONMENTAL PILLAR



At L&G, we integrate environmental sustainability into our strategy and core business decisions by:

- compliance to regulatory requirements
- promoting energy conservation as part of our commitment to minimize climate change
- managing waste streams via responsible disposal, reuse and recycling
- optimising resource efficiency.

ENVIRONMENTAL COMPLIANCE [307-1]

Compliance is an important part of managing our environmental risks. The key regulations that we commit to adhere to, amongst others, include:

Environmental Quality Act 1974

Environmental Quality (Scheduled Wastes) Regulations 2005

Environmental Quality (Industrial Effluent) Regulations 2009

Environmental Quality (Sewage) Regulations 2009

Environmental Quality (Clean Air) Regulations 2014

Environmental Quality (Prescribed Activities) (Environmental Impact Assessment) Order 2015

Sewerage Services Act 1993

Street, Drainage and Building Act 1974

Protection of Wildlife Act 1972 (Act 1976)

Land Conservation Act 1960

Drainage Work Ordinance 1954

Water Enactment (1935)

We are pleased to announce that for FY2019, we did not receive any stop works order by the Department of Environment as a result of non-compliance to the environmental regulations under the Environmental Quality Act, 1974.

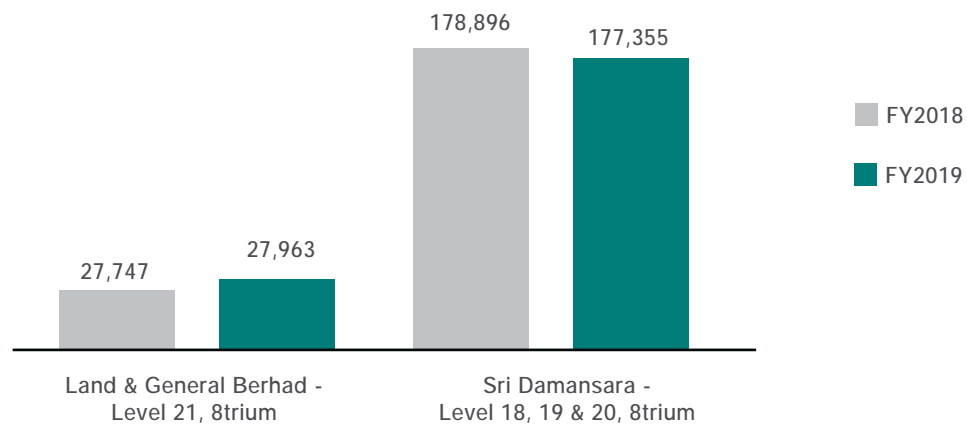
SUSTAINABILITY

REPORT (CONT'D)

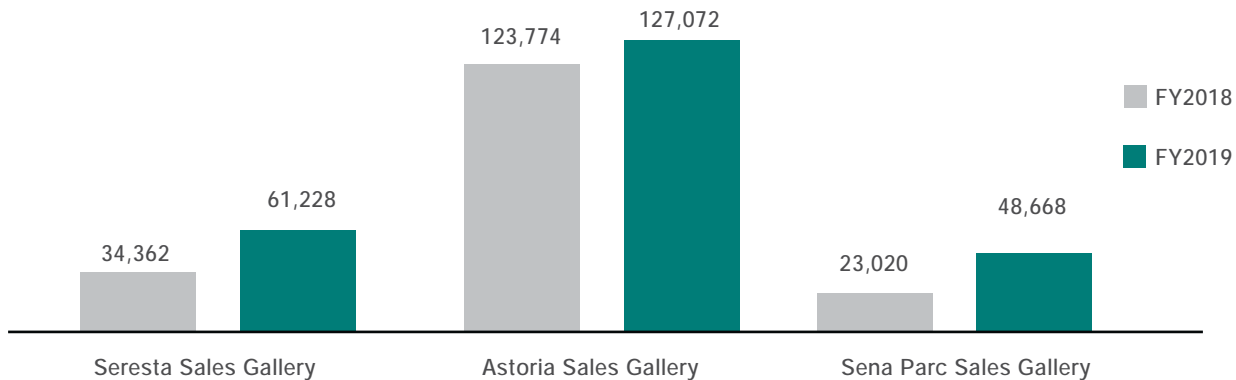
CLIMATE CHANGE [302-1, 302-4]

Mitigating climate change is one of the key challenges in sustainability. Our contribution as a Group is to ensure energy conservation measures are put in place. We record our monthly electricity bills to track our performance and the figures below showcase our electricity consumption for FY2019 in comparison to FY2018. For our corporate headquarters, we managed to maintain our electricity consumption in FY2018 and FY2019 at about the same consumption level.

ELECTRICITY CONSUMPTION (KWH) - HEADQUARTERS



ELECTRICITY CONSUMPTION (KWH) - SALES GALLERIES



Amongst our sales galleries, Astoria recorded the highest electricity consumption due to its usage of cassette air-conditioner system that operates at a higher horse power.

As compared to FY2018, our Astoria sales gallery maintains its electricity consumption in FY2019 at about the same consumption level.

SUSTAINABILITY

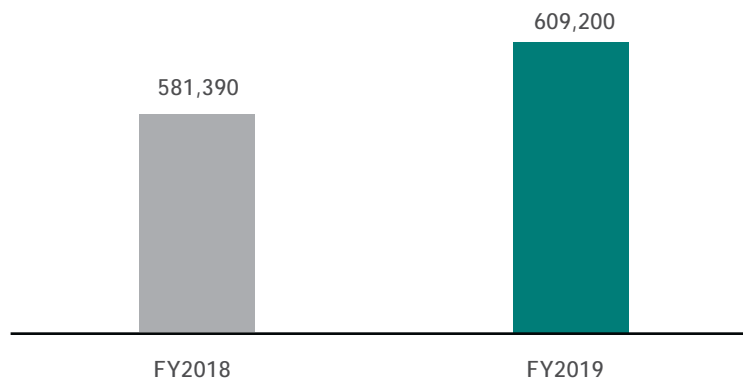
REPORT (CONT'D)

ENVIRONMENTAL PILLAR

Both Seresta and Sena Parc sales galleries recorded higher electricity consumption in FY2019 due to full year sales activities in FY2019 as compared to FY2018 when these projects were launched midway through FY2018.

Under our Education division, the electricity consumption showed increment by 4.8% from FY2018 to FY2019 as the Sri Bestari International School increases the number of classes and school activities.

ELECTRICITY CONSUMPTION (KWH) - SRI BESTARI SCHOOLS



Nevertheless, we conducted several energy conservation initiatives which include replacement of conventional fluorescent lights with LED lights since January 2019, encourage our employees to set the air-conditioning units at optimum temperature (24°C) and we set our photocopiers in standby mode in order to reduce electricity consumption.

At SBPS, we have instructions on switches to remind students and teachers to switch off fans and lights upon leaving their respective classrooms. In addition, the air-conditioning system is only turned on after 10 o'clock in the morning.

WASTE [306-2]

At our construction sites, construction waste generated is segregated from domestic waste and disposed accordingly. Both these waste sources are disposed via licensed contractors at approved landfill sites. This requirement is included in the contractual agreement between L&G and the nominated main contractor. Construction waste that can be recycled are removed and reused or sold to other salvage contractors. For example, the cut off concrete piles are crushed and used as crusher run to pave the temporary access road at the sites. By doing so, we reduce the volume of waste disposed at the landfills.

Similarly, SBPS has implemented a number of sustainable waste management initiatives such as provision of multiple bins located at the corridor of our buildings to encourage waste segregation among students, teachers and management team. Apart from that, we also leverage on partnership with non-governmental organizations (NGOs) in executing environmental programmes such as Say Tak Nak Straw Campaign, a collaboration with Sampah Menyampah Organisation and Eco Brick Campaign with EcoBrick Malaysia. Eco Brick Campaign is an initiative to prevent plastics from entering the environment by collecting, segregating and packing plastics into bottles where bottles can be used to make building blocks. We also build partnership with WWF-Malaysia, the National Operator of Eco-Schools Programme, in executing Eco-Schools Programme which aims to build and improve environmental literacy and skills among school students. Eco-Schools Programme is the largest sustainable schools programme in the world, which is running in more than 60 countries across the globe.

We continue to reduce our waste generation at both our SBIS and SBPS by organizing 'No Plastic Campaign', composting projects and setting up recycling centres at schools. The 'No Plastic Campaign' which started in August 2018 aims to minimize the usage of single use plastic in school and prevent plastic waste from entering the waste mainstream. In our efforts to promote the 'No Plastic Campaign', we encourage students to bring their own water bottles instead of purchasing bottled mineral or drinking water, provide a water dispenser machine at the canteen area and ensure no plastic straws are provided at the school canteen.

Our composting projects which has started in 2017, focused on the composting of waste from food preparation using an electric composter. The compost generated from the composting machine is subsequently used to fertilize the plants in the school areas.

SUSTAINABILITY

REPORT (CONT'D)

MATERIALS USAGE [301-1]

Our construction sites use a substantial amount of materials. We acknowledge the need for resource conservation as some resources regenerate at a slower rate than its consumption. Therefore, we only consume what is needed and we control this by closely monitoring our consumption against the awarded Bill of Quantities for raw materials such as concrete, rebar, brick and tiles.

WORKPLACE PILLAR



As a Group, we believe our people are our strength. We recognise the power of the individual to make a difference, and the collective power of the team to drive sustainability as our competitive advantage in business. We celebrate diversity, recognise and reward performance and support our people in achieving their professional and community related goals by continuously investing in the career development of our workforce.

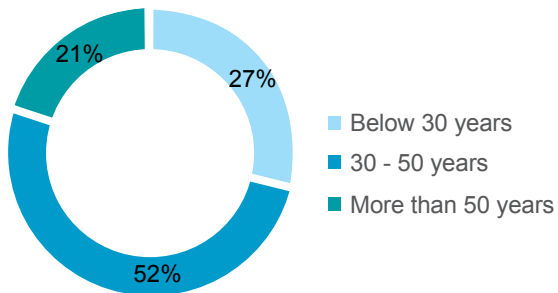
DIVERSITY AND EQUAL OPPORTUNITY [405-1]

We provide equal opportunity to men and women, and this is shown in our employee distribution profile.

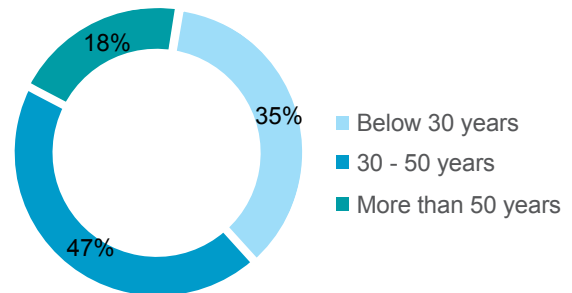
Our workforce is dominated (more than 50%) by employees from the age group 30 to 50 years old which constitutes a vibrant age group with employees having the right experience and expertise. From the gender distribution profile, there are equal numbers of men and women at the headquarters and on project sites, whereas 77% women and 23% men at the school. We take pride that our senior managers comprise 100% local or Malaysians and we believe by employing locals we play a role in enhancing the economic status of our community.

SUSTAINABILITY REPORT (CONT'D)

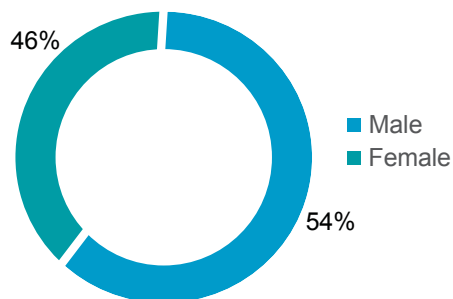
Age Distribution
(Headquarters & Projects)



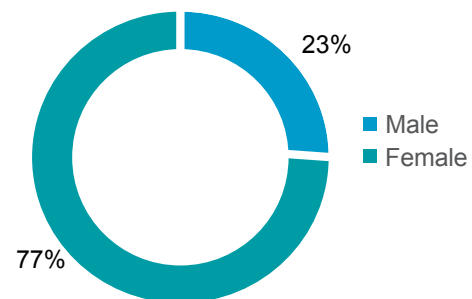
Age Distribution
(SBPS & SBIS)



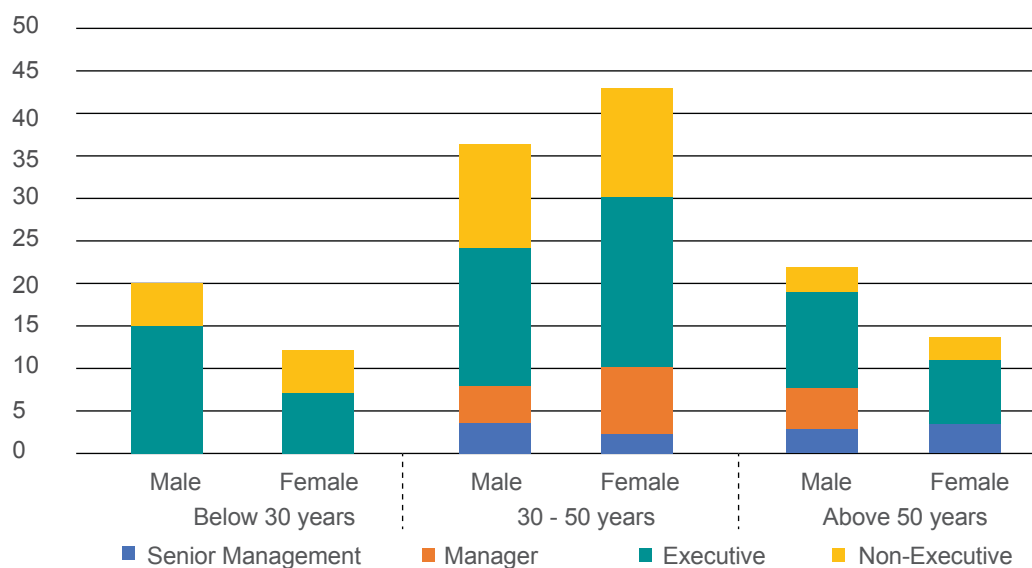
Gender Distribution
(Headquarters & Projects)



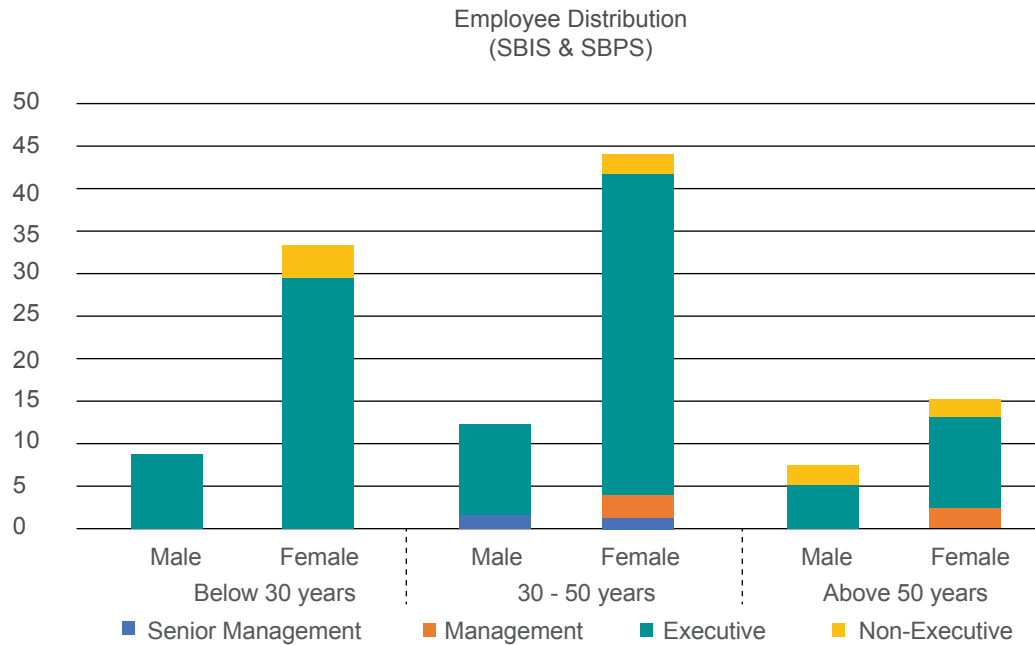
Gender Distribution
(SBPS & SBIS)



Employee Distribution
(Headquarters & Projects)

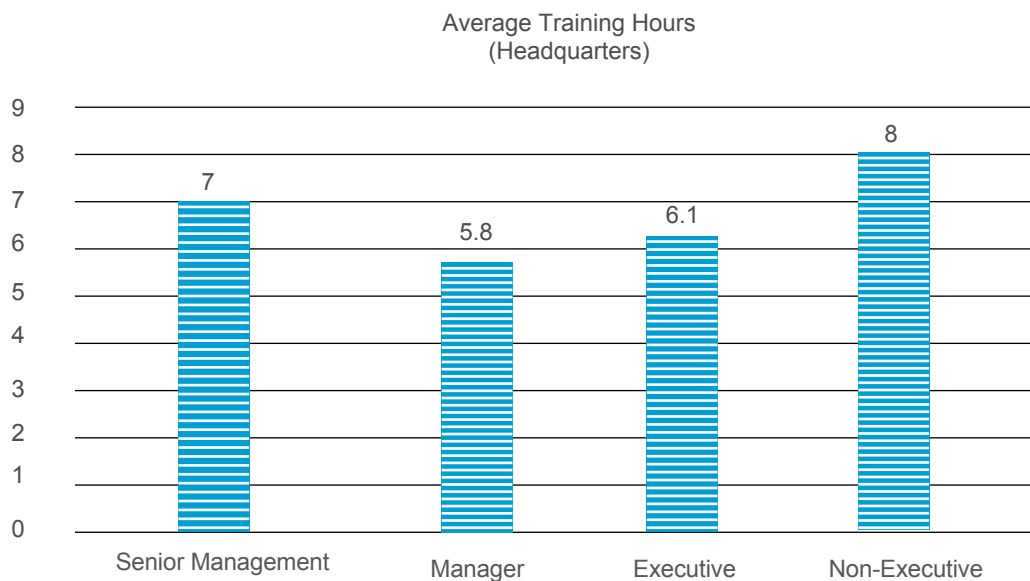


SUSTAINABILITY REPORT (CONT'D)



EMPLOYEE BENEFITS [401-2]

At L&G we consider our employees as our greatest asset, as they contribute towards business continuity. Our employee benefits' package includes hospitalization, personal accident insurance coverage, outpatient medical claims, dental claims and annual leave. We allow for 2 days of paternal leave in addition to the statutory requirement of two months maternity leave.



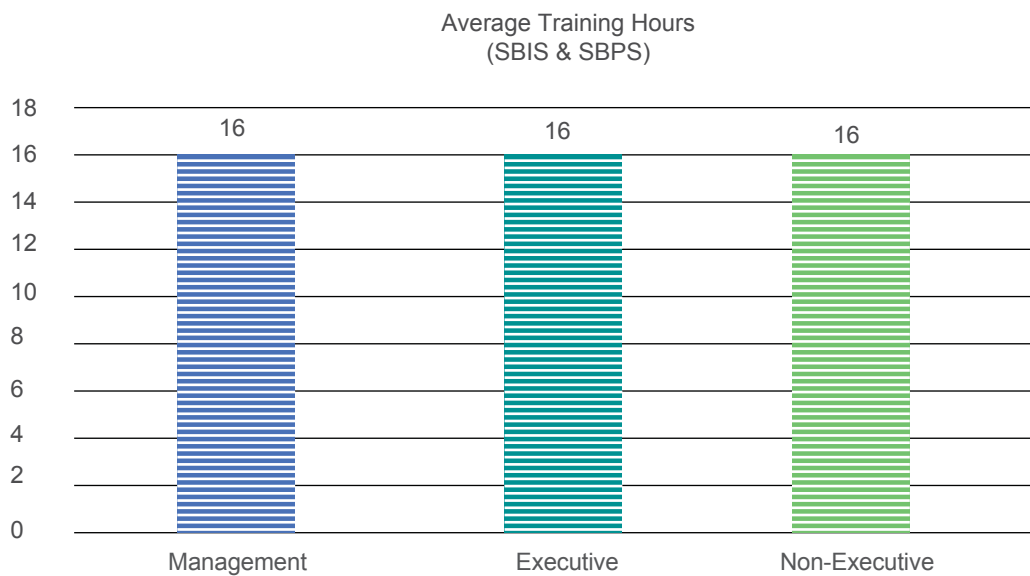
SUSTAINABILITY

REPORT (CONT'D)

EMPLOYEE TRAINING & DEVELOPMENT [404-1, 404-2]

We believe that by providing a platform for continuous learning, the skills and experiences of our employees will be enhanced, and this in turn will benefit our business as well as the individual employee in a long-term.

We have established a KPI with regards to employee training. A target of 2.5 hours per employee and 10 hours per employee were set for the headquarters and the schools respectively. This year, we exceeded the target by achieving 6.5 training hours per employee and 16 training hours per employee for headquarters and schools respectively. Figures below show the average training hours by gender and employment category.



The subjects of training programme (Property division) include financial compliance, project software, property development conferences, among others whilst our employees in the Education division attended training in leadership, financing, quality assurance, Cambridge English curriculum, teaching techniques and many more.

404-1: Average hours of training per year per employee

404-2: Programs for upgrading employee skills and transition assistance programs

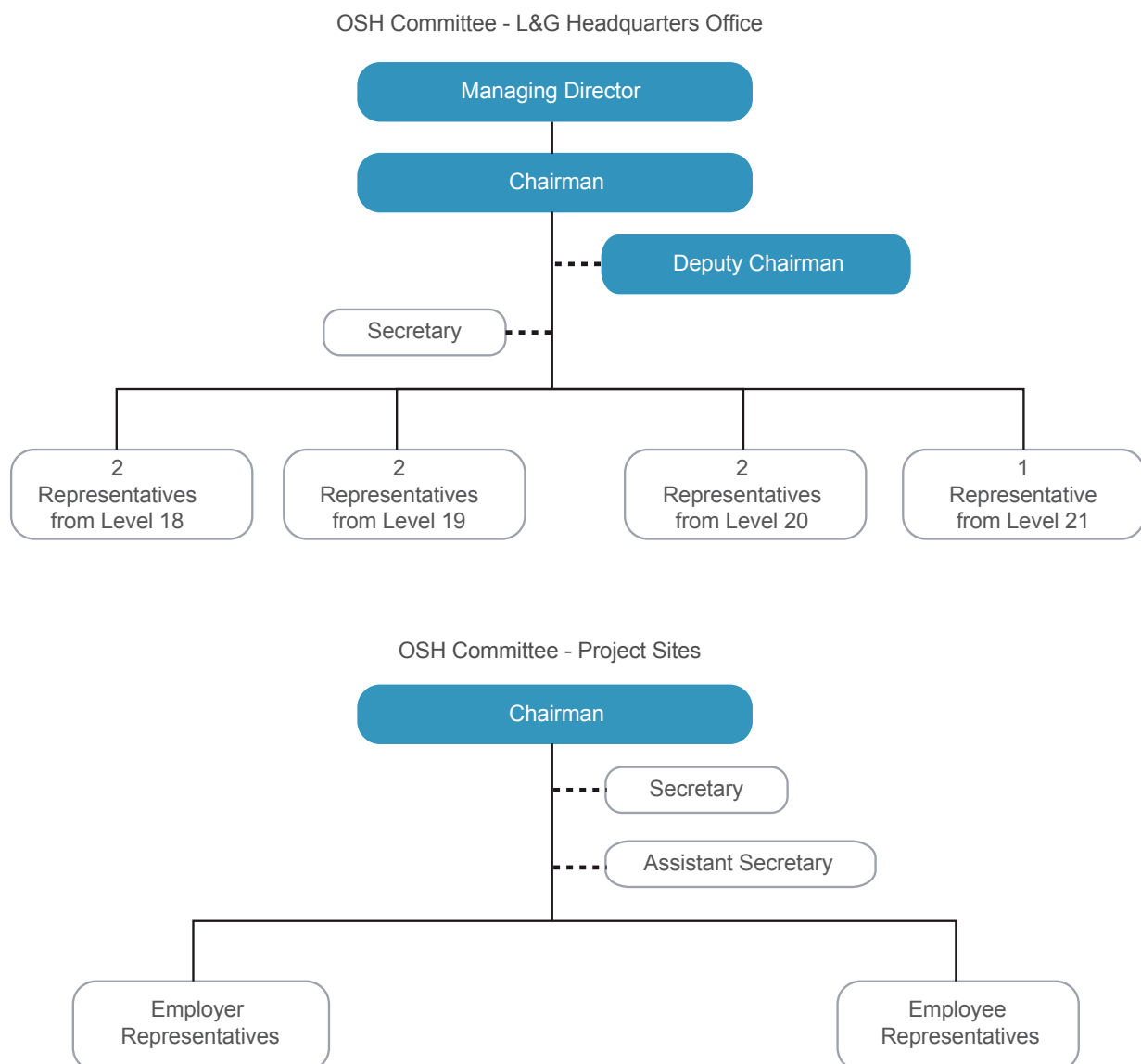
SUSTAINABILITY

REPORT (CONT'D)

OCCUPATIONAL HEALTH AND SAFETY [403-1, 403-2]

As a property developer, occupational safety and health (OSH) remains our top priority. L&G is committed to ensuring all our activities and operations result in zero harm for our employees, contractors, customers and the public. We strive to deliver the highest standards at every level of our operations and to continually improve our safety performance. We comply to the Factory and Machinery Act 1967, Environmental Quality Act 1974, OSH (Safety Policy) Regulations 1995, Safety and Health Committee Regulations 1996, and Notification of Accident, Dangerous Occurrence, Occupational Poisoning and Occupational Disease (NADOPOD) Regulations 2004.

We establish two levels of OSH management, i.e. an OSH committee at a corporate level and individual OSH committee for each of our project sites. The structure of both these committees is illustrated below.



403-1: Workers representation in formal joint management-worker health and safety committees

403-2: Types of injury and rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities

SUSTAINABILITY

REPORT (CONT'D)

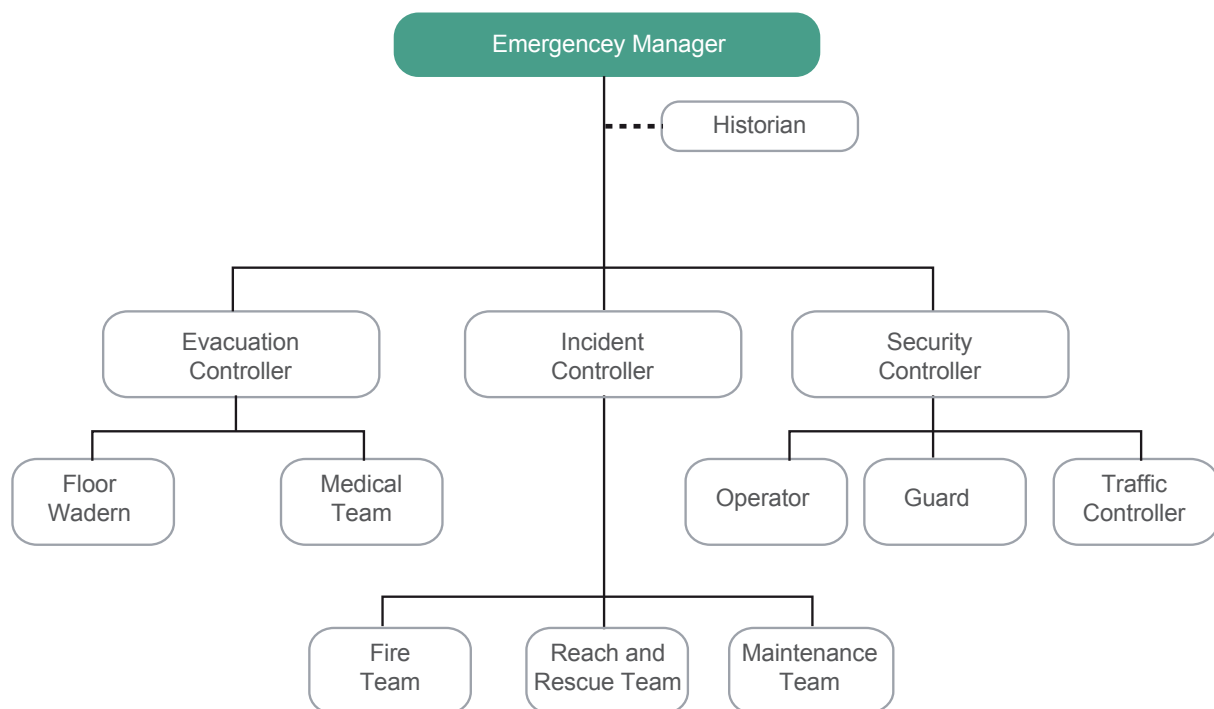
We inculcate a culture of safety amongst our employees and contractors. It is mandatory for our workers at our project sites to undergo site safety induction. Similarly, at our headquarters, we ensure our employees are equipped with the right knowledge of safety and health by scheduling training such as Emergency Response Team (ERT), fire behaviour, building evacuation, fire evacuation drill, fire extinguisher and fire hose handling for the OSH committee personnel.

At our active construction sites, we control the access by enforcing strict security controls where only authorised personnel or workers with valid safety induction cards and Construction Industry Development Board (CIDB) green cards are permitted to enter. Stern action is taken if there are any security breaches in violation of the contract agreement with the appointed contractor.

Every accident and incident that occurs at the workplace is recorded and investigated. Suitable remedial measures are put in place to prevent recurrence of the same incident or accident. In FY2019, our Damansara Seresta had one lost time injury and no fatality across the three construction sites.

As for our Education division, we are responsible for the safety and health of our students, teachers and employees. Emergency incidents such as fire, natural disasters, medical emergencies, among others can occur in our schools. Therefore, we established the ERT as shown below. The ERT is responsible to deal with emergency situation occurs in the schools premises by ensuring proper evacuation, shutting down building services and utilities and communicating with civil authorities.

OSH Organisational Chart - Sri Bestari Schools



We carried out two fire drills to train our students, teachers and employees to respond calmly to emergency incidents and to practice evacuation procedures including routes and instructions they need to follow in case of emergency. In ensuring the safety of our students, teachers and employees are secured and they are always prepared for emergency incidents, we work closely with the Fire and Rescue Department in conducting fire drills, reviewing our ERT team and procedures and conducting inspections for our fire equipment available in our schools prior to the fire drills.

SUSTAINABILITY

REPORT (CONT'D)

PRODUCT QUALITY AND SERVICES [102-43, 416-1]

In our business, product quality and service are of utmost importance for sustainable growth. We ensure our construction quality meets or exceeds our customers' expectations by developing a project quality plan. This project quality plan is unique for each construction project and it is a mandatory document required to be prepared by our contractors. The purpose of this project quality plan is to document and set out specific quality practices, resources and types of activities relevant to our project sites. We aim to build safe and zero defects buildings which comply to regulatory requirements, to complete projects on time, and to achieve satisfactory points in Quality Assessment System in Construction (QLASSIC). We target to achieve a minimum of 65% QLASSIC score for each of our project.

We are proud to announce that in November 2018 our Damansara Seresta was awarded as the Best Residential High-rise Development at the iProperty Development Excellence Awards (iDEA), organised by iProperty.com and it recognizes outstanding developments in multiple distinct categories relevant to property development industry. This achievement shows our continuous commitment towards ensuring highest level of product quality delivery.

At the same time, in ensuring education quality and services are delivered by our schools, we conduct annual Parents' Feedback Survey at the end of academic year. For SBIS, our survey aims to gauge parents' satisfaction focusing on nine aspects which are of pivotal for our internal monitoring mechanism. This includes the school's system (Schoolology and Tutor-Ward system), course content, extra-curricular activities (ECA), child's progress in school, teachers, food and beverages, security and cleanliness.

In general, 96% of parents have indicated that they are satisfied with all the 9 aspects highlighted. However, we acknowledge certain gaps that require improvement and we are putting in place the necessary measures to meet our parents' requirement. The following outlines parents' satisfaction level for each aspect measured.

Aspects	Description
Schoolology System	93% of parents are satisfied with the Schoolology system whereby parents could contact teachers easily through Schoolology system, check their child's grade promptly and able to access Schoolology with a different platforms (mobile or laptop). The Schoolology system is effective and user friendly.
Tutor-Ward System	All parents are satisfied with the Tutor-Ward System as tutors are the appointed guardian of the child in school. Tutors know the well-being of their wards and update parents on regular basis. It's a platform that promotes collaboration between parents and tutor on the students' development and progress in school.
Course Content	94% of parents are satisfied with the course content delivered during lessons. This includes clear learning objectives outlined, course content is organised and well-planned with appropriate workload given. The lessons conducted promote students' participation through sharing of ideas and thoughts in class.
Extra-curricular Activities (ECA)	99% of parents are satisfied with the ECA activities available as their child enjoys the ECA activities conducted in school. The ECA activities promote students' holistic development and polish the leadership qualities hidden in each student.
Child's Progress in School	98% of parents are delighted with their child's progress in school. Their child is independent and responsible since they joined the school. Their child is also more confident in communicating with peers and enjoys school activities planned.

SUSTAINABILITY

REPORT (CONT'D)

Aspects	Description
Teachers	99% of parents are satisfied with the teachers. This includes teachers are approachable and provide prompt feedback on students' progress. The teachers also plan good engaging activities for the students. The subject teacher also updates the lesson taught regularly on Schoology.
Food & Beverages	<p>88% of parents are satisfied with the food and beverages service provided at the canteen. This includes the reasonable price of the food, kitchen hygiene, workers are friendly and helpful.</p> <p>However, 12% of parents do feel that the food sold at the canteen is pricey. The following immediate actions were taken:</p> <ol style="list-style-type: none"> 1. Canteen operator to submit the price list of items sold at the canteen to the school for review purpose. 2. Price tags must be placed on all food items. 3. Regularly meeting with the canteen operator to provide feedback and discussion.
Security	99% of parents are satisfied with the security level in school throughout schooling hours. The security guards are helpful and extend assistance to parents whenever needed.
Cleanliness	93% of parents are satisfied with the cleanliness level maintain in the school. The school environment is clean and tidy most of the time. The clean compound is also conducive for teaching and learning.

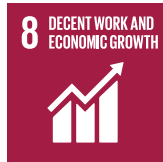
Whereas at SBPS, Parents' Feedback Survey are based on the Likert Scale method, with scale 1 being very unsatisfied and scale 5 being very satisfied. The survey covers twelve (12) aspects of; academic school standard, school affordable pricing, teaching quality, sporting activities, co-curricular activities, performing arts, after school activities/ECAs, facilities, canteen food, safety and security, discipline and being kept-up to-date on child's progress, school activities, or any related matters.

Generally, the average result of the parents' satisfaction towards the school ranged from 3 to 3.93, with the highest satisfaction score in the aspect of discipline and the least satisfaction on canteen food. Moving forward, we aim to improve the parents' satisfaction towards the choice of food provided in the canteen.

SUSTAINABILITY

REPORT (CONT'D)

COMMUNITY PILLAR



Underpinning our company values at L&G is the belief that we have a responsibility to support the communities that we operate in. Our contributions to community related programmes for FY2019 are listed below.

Programme
Sponsor one bronze table for Malaysia-Guangdong Chamber of Investment Promotion ("MGCIP") 10th year anniversary dinner
Sponsorship for supporters' club for the 18th Asian Games
Contribution for Sukan Hasil 2018 Melaka
Sponsorship for Bandar Sri Damansara Carnival & Fun Run 2018
Corporate Partner Sponsorship for 10th International Conference on World Class Sustainable Cities 2018
Bronze sponsorship for The Edge Kuala Lumpur Rat Race 2018

CONCLUSION

Our commitment towards sustainability is reflected in our programmes and initiatives that we have conducted throughout the year, especially, the setting of KPIs and putting in place initiatives to achieve them. By effectively ingraining sustainability throughout our business management and operations, we communicate the Group's sustainable performance with integrity.

We believe that through collaboration and engagements with the local government and regulators, our customers, the community at large and other key stakeholders, we can help drive transformation on the sustainability platform in the property development and education sectors in Malaysia.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors ("the Board") of Land & General Berhad ("the Company") is fully committed to the principles of the Malaysian Code on Corporate Governance 2017 ("MCCG").

The Board constantly strives to ensure that good corporate practices are carried out throughout the Group as fundamental to fulfilling its responsibilities, which include protecting and enhancing shareholder value as well as the financial performance of the Company.

The Board is pleased to present this Corporate Governance Overview Statement to provide an overview of the application of the 3 Principles as set out in the MCCG. In addition, the Corporate Governance Report which sets out the application of each Practice is available for viewing in the Company's corporate website at www.land-general.com.

PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

I. Board Responsibilities

Board Charter

The Board had formalised a Board Charter, which the primary objective of the Board Charter is to set out the roles and responsibilities of the Board, the division of authority and responsibilities of the Board and Management, terms of reference and composition of Board Committees, and other administrative policies and procedures in relation to the operation of the Board as a whole.

The Board Charter has been reviewed to ensure it remains consistent with the Board's objective and responsibilities, and all the relevant standards of corporate governance.

The Board Charter can be found from the Company's website at www.land-general.com.

Roles and Responsibilities

The roles of the Chairman and the Managing Director are clearly defined, with each carrying out his duties and responsibilities within the Company. The Chairman heads the Board and is responsible for ensuring the effectiveness of the Board. The Managing Director has overall executive responsibilities for the day-to-day business operations and the implementation of the Board's decisions.

The details of the roles and responsibilities of the Chairman and Managing Director are clearly stated in the Board Charter of the Company.

The Board has established written policy determining which issues would require Board decision and which issues are delegated to the Board Committee or Management, subject to variation from time to time as determined unanimously by the Board.

The Board reserves full decision making powers on the matters relating to:-

- a) conflict of interests relating to major shareholders or a Director or persons connected to Director;
- b) whether convening of a general meeting to approve a transaction or contract is required;
- c) material acquisition and disposal of Company assets not in the ordinary course of business which may require the shareholders' approval;
- d) investments of capital levels;
- e) authority level, in particular cheque signatories;
- f) cash investment policies; and
- g) key human resource issue e.g. renewal of contract of service and remuneration of executive Directors.

Overseeing the Conduct of Businesses of the L&G Group

The Board has delegated the Group's executive responsibilities for day to day business operations to the Managing Director and the Board reviews the business performance of the Group quarterly. Management personnel are in turn delegated with specific functions as assigned by the Managing Director. Plans and operating procedures are in place for each function to ensure continuity and smooth business operations of the L&G Group.

Strategic planning is an ongoing process in L&G. Performance of the Group in each business unit is reviewed and variance analysis is conducted each quarter and reported by the Managing Director at the Board Meeting in the Managing Director's Report.

Management conducts review and revision of budget of a financial year before end of 3rd financial quarter and also draw up budgets and plans for the next financial years. The revised budget and the budget for the next financial years had been tabled to the Board for deliberation and approval in the 4th financial quarter, before commencement of the new financial year.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (CONT'D)

Board Committees

To assist the Board in the discharge of its duties effectively, the Board has delegated certain functions to the following Board Committees as follows:-

- a) Audit Committee;
- b) Nominating Committee; and
- c) Remuneration Committee.

Each operating within clearly defined terms of reference and the details of which could be found in the appendices to the Board Charter, a copy of which is posted on the Company's website.

The Board noted the decisions, recommendations and issues deliberated by the Board Committees through the minutes of these Board Committees.

The composition and key functions of the Board Committees are summarised as follows:-

a) Audit Committee

The Audit Committee, comprising wholly non-executive Directors with a majority being Independent Directors, is responsible for reviewing and monitoring the work of the Group's internal audit function as well as ensuring that an objective professional relationship is maintained with the external auditors.

b) Nominating Committee

The Nominating Committee consists exclusively of Independent Directors.

The key functions of the Nominating Committee include assessing and recommending candidates for the appointment of new directors to the Board, and carrying out annual assessment on the effectiveness of the Board as a whole, the effectiveness of the Board Committees, and contribution of each existing individual Director and thereafter, recommend its findings to the Board, where applicable.

c) Remuneration Committee

The Remuneration Committee, which comprises entirely non-executive Directors, is authorised to review, assess and recommend to the Board the remuneration of Directors.

Support Services

In furtherance of their duties, the Board is supported by a qualified Company Secretary in carrying out its roles and responsibilities. The Board also have access to the advice of both External and Internal Auditors of the Company and any other independent professional advisers, at the Company's expense.

The Company Secretary provides support services to the Board and Board Committees. The Company Secretary attends all Board meetings as well as Board Committee meetings and ensures that accurate and proper records of the proceedings of such meetings are kept. Further, the Company Secretary also provides advice and updates on regulatory requirements to the Board and Board Committee as well as carried out tasks as assigned by the Board and Board Committees.

Independent Directors

The Independent Non-Executive Directors are independent of management and are free from any business or other relationship with the Company which could interfere with the exercise of their independent judgment. These will ensure unbiased and independent view in the decision-making process.

To reinforce independence, the Independent Directors do not receive performance based remuneration or share based incentives from L&G.

For the financial year ended 31 March 2019, the Nominating Committee had reviewed and assessed the performance and independence of all the Independent Directors, including Dato' Hj Zainal Abidin Putih, Dato' Ir Dr A Bakar Jaafar and Dato' Hj Ikhwan Salim Dato' Hj Sujak who have served the Board for a cumulative term of more than 9 years, based on the criteria as set out in Paragraph 1.01 of the Main Market Listing Requirements ("MMLR").

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (CONT'D)

In addition to the independence criteria stated under the MMLR, the Independent Directors were also assessed on the following aspects:-

- whether the Independent Directors have the ability to exert considerable influence on the L&G Group's financial transactions; and
- whether there is any significant links with other directors through involvement in other companies or body corporates which would materially hamper the independent judgement or ability to act in the best interest of the L&G Group.

The Board had considered and was satisfied with the assessments carried out by the Nominating Committee.

The Board shall seek shareholder's approval to enable Dato' Hj Zainal Abidin Putih, Dato' Ir Dr A Bakar Jaafar and Dato' Hj Ikhwan Salim Dato' Hj Sujak to continue to serve as Independent Directors at the 56th Annual General Meeting ("AGM") based on the justifications as set out below:-

- (a) they fulfil the criteria of Independent Directors pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
- (b) they provide the Board a diverse set of experience, skill and expertise;
- (c) they are familiar with the Company's business operations and the property development market as they have been with the Company for more than 9 years and are aware of current issues confronting the company and they continues to provide valuable input to steer the Company forward; and
- (d) they have devoted sufficient time and attention to their professional obligations for informed and balanced decision making and they have not over-committed themselves to other directorships, their personal affair or business.

Board Meetings

Dates for Board meetings are scheduled in advance before the end of the previous financial year to enable Directors to plan ahead and fit the year's meetings into their own schedules.

Board meetings are held every quarter and additional meetings are convened as and when necessary. Additional Board meetings are held when there are important corporate exercises or issues that require urgent consideration or decision of the Board.

During the financial year ended 31 March 2019, a total of seven (7) Board meetings were held.

The attendance of the Board meetings held during the financial year ended 31 March 2019 is as follows:

Directors	No. of Meetings attended/held
Dato' Hj Zainal Abidin Putih	7/7
Low Gay Teck	7/7
Ferdaus Mahmood	7/7
Dato' Ir Dr A Bakar Jaafar	6/7
Dato' Hj Ikhwan Salim Dato' Hj Sujak	7/7
YM Tengku Maruan Tengku Ariff	7/7
Hoong Cheong Thard	6/7
Chiu Andrew Wah Wai	4/7
Dato' Pahlawan Mohd Shukri Dahlan	7/7
Dato' Noorizah Binti Hj Abd Hamid	2/2
<i>(Appointed as Director w.e.f. 1 December 2018)</i>	

To ensure effective conduct of Board meetings, a structured formal agenda and Board meeting papers relating to the agenda are circulated to all Directors prior to each Board meeting. Board meeting papers include progress reports on operations, quarterly results of the Group and the Company, financial and minutes of the Board and Board Committees. The Directors are thus given sufficient time to peruse the matters that will be tabled at the Board meetings to enable them to participate in the deliberations of the issues to be raised and to make informed decisions.

Management personnel was invited to attend Board meetings to furnish additional details or clarification on matters tabled for the Board's consideration.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (CONT'D)

Directors' Training

Directors' Training is important to enable the Directors to equip themselves with the knowledge to discharge their duties more effectively.

The Directors shall attend relevant training programmes conducted by external experts and in addition to this, internal management shall, from time to time, provide updates regarding any latest amendments pertaining to the Listing Requirements of Bursa Securities and statutory provisions or new regulations and accounting standards imposed by the relevant authorities.

Annually, an In-house Directors' Training is organised after the training need of the Directors is reviewed by the Board where the Board would consider whether the training should cover topic on regulatory updates, finance, accounting, taxation, risk management or corporate governance.

During the financial year under review, an In-house Directors' Training entitled "Briefing on MFRS" was organised. The said training was conducted by Mr Thong Foo Vung from KPMG.

Further, the Nominating Committee also encouraged Directors to attend any other appropriate directors' trainings to keep abreast of developments in the marketplace.

The training programmes inclusive of briefings, seminars, conferences, workshops, and others which were attended by the existing Directors of L&G during the financial year, are as stated below.

Dato' Hj Zainal Abidin Putih

• Asia Launch of Global Financial Development Report 2017/2018: Bankers without Borders, Presentation of Key Findings followed with Panel Discussions: The Future of International Banking - Benefits and Costs, World Bank Group/Bank Negara	12 April 2018
• 5th BNM-FIDE Forum Annual Dialogue with Deputy Governor of BNM, FIDE FORUM	19 April 2018
• CIMB: Beyond T18 Framing & Dialogue, CIMB/MCKINSEY	26 April 2018
• Sustainable Finance Training for BoD, CIMB	1 August 2018
• CIMB Board Beyond 2018 Workshop, CIMB	2 August 2018
• L&G In-house Directors' Training – Briefing on MFRS	6 August 2018
• CIMB 2019 Risk Posture Workshop, CIMB	20 August 2018
• Khazanah Mega Trends Forum – Recalibrating Markets, firms, Society & People, Khazanah	8 & 9 October 2018
• Malaysia: A New Dawn Conference – Govt of Malaysia in partnership with CIMB Investment Bank; Maybank Investment Bank & RHB Investment Bank	8 October 2018
• BNM Annual Report 2018 / Financial Stability and Payment Systems Report 2018 Briefing Session	27 March 2019

Low Gay Teck

• Malaysia Property Market Outlook 2018, FIABCI	2 May 2018
• Asia Forum 2018, Malaysia Keynote Address by Tan Sri Dato' David Chiu, Hong Kong Trade Development Council	21 June 2018
• ASEAN Disruptive Leadership Summit 2018, Shapers Malaysia Sdn Bhd	9 July 2018
• L&G In-house Directors' Training – Briefing on MFRS	6 August 2018
• Building For the Future on Urban Development, Hong Kong Trade Development Council	6 September 2018
• CEO Series: Annual Property Developer's Conference, REHDA Institute	24 September 2018
• Housing and Property Development Colloquium, KASI Institute	2 October 2018

Ferdaus Mahmood

• L&G In-house Directors' Training – Briefing on MFRS	6 August 2018
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CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Dato' Ir Dr A Bakar Jaafar

- Presentation on "Energy 101: Q&A," 4th National Workshop & Training Courses on Ocean Energy 2018, at Dewan Seminar, Menara Razak, UTM Kuala Lumpur 26 & 27 June 2018
- L&G In-house Directors' Training – Briefing on MFRS 6 August 2018
- Presentation on "Biomass Burning and Haze: A Solution-Oriented Focus to Provide Insights for Decision-Making", delivered at the International Workshop on Haze and Biomass Burning in Asia (IIASA Meeting), Bandung Indonesia 2-5 October 2018

Dato' Hj Ikhwan Salim Dato' Hj Sujak

- L&G In-house Directors' Training – Briefing on MFRS 6 August 2018

YM Tengku Maruan Tengku Ariff

- L&G In-house Directors' Training – Briefing on MFRS 6 August 2018

Hoong Cheong Thard

- 9th Annual dbAccess Asia Conference 2018 Singapore 16 May 2018
- L&G In-house Directors' Training – Briefing on MFRS 6 August 2018

Chiu Andrew Wah Wai

- L&G In-house Directors' Training – Briefing on MFRS 6 August 2018

Dato' Pahlawan Mohd Shukri Dahlan

- L&G In-house Directors' Training – Briefing on MFRS 6 August 2018

Dato' Noorizah Binti Hj Abd Hamid

- Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act (AMLAFTPUAA) 2001 – Managing Challenges in Risk Based Approach and Politically Exposed Person 26 June 2018
- PNB Leadership Forum – Organisational Excellence (Harvard) 5 March 2019

Sustainability

In the course of pursuing the vision and mission of the Group, the Board acknowledges that practices which support corporate responsibility are keys to the sustainability of the Group. The Board believes no company can prevail by maximising the shareholder's value alone, and the needs and interests of other stakeholders must be taken into consideration.

More information is provided in the Sustainability Report on pages 24 to 48 of this Annual Report.

CORPORATE GOVERNANCE OVERVIEW STATEMENT (CONT'D)

Code of Conduct

The Company had adopted a Code of Conduct for Directors relating to ethical practices. A separate set of Code of Ethical Practices relating to Group's business operations was formulated for staff and employees.

Code of Conduct for Directors stresses on the following key values where all Directors of the Group are to:

- act honestly, fairly and professionally in all business dealings;
- foster a culture of integrity;
- work together to promote a safe, ethical and professional workplace;
- comply with the laws, rules and regulations under which the Company conducts its business; and
- respect the local communities wherever the Company operates.

The Code of Conduct for Directors can be found from the Board Charter published at the Company's website at www.land-general.com.

Whistle-blowing policy

The Board had formalised a whistle-blowing policy as the Board is committed to the highest standard of integrity, openness and accountability in the conduct of its businesses and operations. It aspires to conduct its affairs in an ethical, responsible and transparent manner. In recognising these values, L&G provides avenues for all employees, and members of the public to disclose any improper conduct within the L&G Group of Companies.

Any concerns relating to misconduct, questionable issues or improper actions should be emailed to whistleblower@land-general.com by providing the following information:-

- nature of misconduct, questionable issues or improper actions;
- name of person/persons involved;
- date, time and location;
- the details of events taken place;
- other witness, if any; and
- documentation or evidence available.

Alternatively, such concerns which shall be classified as "Strictly Private and Confidential" may be directed in writing to the Senior Independent Director which the contact details are set out on page 59 of this Annual Report.

II. BOARD COMPOSITION

Composition of the Board of Directors

The Board's composition is well balanced with six (6) Independent Non-Executive Directors, three (3) Non-Independent Non-Executive Directors and one (1) Managing Director.

The Company is led and controlled by an experienced Board made up of professionals and entrepreneurs who have a diverse range of business, financial and technical skills and experience.

Following the retirement of Encik Ferdaus Mahmood on 31 December 2015 as Executive Director, Encik Ferdaus Mahmood has been redesignated as Non-Independent Non-Executive Director with effect from 1 January 2016. Encik Ferdaus Mahmood continues to undertake the advisory role to Management on operational matters of the Group.

During the year under review, Dato' Noorizah Binti Hj Abd Hamid was appointed as Independent Non-Executive Director on 1 December 2018 based on her extensive experience in corporate finance and strategic management.

This mix of skills and experience is essential for the successful attainment of the corporate plans and objectives of the Group. A brief profile of each Director is set out on pages 4 to 9 in the Director's Profile of this Annual Report.

Activities of the Nominating Committee

Pursuant to Paragraph 15.08A of MMLR, the activities of the Nominating Committee in respect of the financial year ended 31 March 2019 are summarised as stated below.

Nominating Committee had two (2) meetings during the financial year under review and all the Nominating Committee members attended the said meetings.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (CONT'D)

Firstly, the Nominating Committee had reviewed and recommended the appointment of an additional Independent Non-Executive Director and had assessed the candidate based on the following criteria as follows:-

- (a) qualification and background;
- (b) work experience;
- (c) other directorships; and
- (d) her ability to discharge such responsibilities/functions as expected from Independent Non-Executive.

Secondly, the Nominating Committee had assisted the Board in undertaking the assessments summarised as stated below.

a) Directors' Annual Assessment

The Nominating Committee undertakes an annual review of the performance of each Director through a self-assessment exercise and upon completion of the review and assessment, the Nominating Committee submits its comments and recommendations to the Board for consideration.

The Director's self-assessment in respect of financial year ended 31 March 2019 covers the following aspects:-

- (i) fit and proper of a director;
- (ii) contribution and performance of a director;
- (iii) caliber and personality of a director;
- (iv) meeting attendance of Board and Board Committees; and
- (v) training, seminar, conference, etc, attended by director.

All Directors had carried out the Directors' self-assessment exercise in respect of the financial year ended 31 March 2019 and the Nominating Committee had submitted its comments to the Board for consideration.

The Nominating Committee had also taken into the consideration the outcome of the Directors' self-assessment before making recommendations to the Board for Directors who will be seeking re-election and re-appointment at the AGM.

b) Board Assessment and Board Committee's Assessments

Annually, the Nominating Committee undertakes Board assessment and Board Committee's assessments.

The Nominating Committee had conducted Board assessment and Board Committee's assessments in respect of financial year ended 31 March 2019 and had reported its assessments to the Board.

The Board assessment covers the following aspects:-

- (i) Board structure;
- (ii) Board operations;
- (iii) Board roles and responsibilities; and
- (iv) Board Chairman's roles and responsibilities.

The Nominating Committee had reviewed the Board Committee's assessments consist of questionnaire which had been completed by the Chairman of the respective Board Committee as follows:-

- (i) Audit Committee;
- (ii) Nominating Committee; and
- (iii) Remuneration Committee.

The said assessments had covered the following aspects:-

- (i) composition of the respective Board Committee;
- (ii) effectiveness of the respective Board Committee's roles;
- (iii) consideration on appointment of Chairman of the respective Board Committee; and
- (iv) documentation of the minutes of the respective Board Committee.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (CONT'D)

c) Assessment on the members of the Audit Committee

Pursuant to Paragraph 15.20 of the MMLR, where the Nominating Committee of a listed issuer must review the term of office and performance of an Audit Committee and each of its members annually to determine whether such Audit Committee and Members have carried out their duties in accordance with their terms of reference.

The Nominating Committee had reviewed and assessed the performance of each of the members of the Audit Committee through a self-assessment exercise and upon completion of its review and evaluation, the Nominating Committee's comments and recommendations were submitted to the Board for consideration.

The said assessment had covered the following aspects:-

- (i) corporate governance, risk management and internal controls;
- (ii) audit and financial reporting; and
- (iii) skill set.

The Nominating Committee agreed and was satisfied with the performance of the Audit Committee and each of its members.

Boardroom Diversity

The Board supports gender diversity as part of the agenda in achieving boardroom diversity as the Board acknowledges and embraces that a wide range of perspectives is critical to effective corporate governance and strategic decision making in the fast changing business environment.

The Company does not practise any gender biasness. Any new appointment to the Board shall always be based on merits, capability, experience, skill-sets and integrity.

During the financial year under review, the Board had appointed one female director to enhance the boardroom diversity based on her credentials and experience.

III. REMUNERATION

The Company aims to set remuneration levels which are sufficient to attract and retain the Directors and Senior Management needed to run the Company successfully, taking into consideration the function, workload and responsibilities.

The Board was assisted by the Remuneration Committee to review and recommend on the remuneration of Managing Director pursuant to the contract of service. The Managing Directors' remuneration comprises basic salary and other customary benefits made available by the Group. The Board had approved the Managing Director's remuneration after taking into account the market rates and the performance of the Managing Director and the Group.

The Non-Executive Directors' remuneration comprises fees and meeting allowances that are linked to their expected roles and level of responsibilities. The Directors' annual fees, which are determined by the Board as a whole, are approved by shareholders of the Company at each AGM. The meeting allowances of the Non-Executive Directors are also approved by the shareholders of the Company at the relevant AGM.

The former Executive Director, Encik Ferdaus Mahmood who retired on 31 December 2015 and was redesignated as Non-Independent Non-Executive Director on 1 January 2016, has been paid a (fixed) advisory fee of RM10,000.00 per month based on a contract of service formalised between the Company and the former Executive Director for his advisory role in relation to operational matters of the Group. Encik Ferdaus Mahmood continues to undertake the advisory role for calendar year 2019. This advisory fee is not subject to shareholders' approval.

As for the Senior Management personnel, at the stage of recruitment, the salaries and benefits were agreed upon before engagements were formalised. The salaries and benefits take into consideration the complexities of the works, qualification and experience and also other factors. As senior management personnel work closely with the Managing Director, their salaries and bonuses were reviewed and decided by the Managing Director after the annual performance appraisal exercise of the Group.

In addition to the Directors' remuneration, the overall annual salary increment, the total wage bill and bonuses for each calendar year of the L&G Group were tabled to the Remuneration Committee for review.

The Remuneration Committee had one (1) meeting during the financial year under review. All members of the Remuneration Committee Meeting attended the said meeting.

At the coming 56th AGM, the Board shall seek shareholders' approval for Directors' fees and meeting allowances.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (CONT'D)

Pursuant to Paragraph 9.25 and paragraph 11 of Appendix 9C of the MMLR, the details of the Directors' remuneration of the Company on the named basis for the financial year ended 31 March 2019 are tabulated as follows:

A) Managing Director

No.	Name	Defined Contribution Plan	Salaries (RM)	Bonus (RM)	Benefits in kind (RM)	Total (RM)
1.	Low Gay Teck	121,856	841,794	173,638	36,063	1,173,351

B) Non-Executive Directors

No.	Name of Director	Directors' Fees (RM)	Audit Com ⁽¹⁾ Fees (RM)	Nom Com ⁽²⁾ Fees (RM)	Rem Com ⁽³⁾ Fees (RM)	Fees for signing DCR ⁽⁴⁾ (RM)	Total Fees (RM)	Meeting Allowance (Paid) ⁽⁵⁾	TOTAL FEES AND MEETING ALLOWANCE
1.	Dato' Hj Zainal Abidin Putih	120,000	-	-	-	16,500	136,500	9,000	145,500
2.	Dato' Ir Dr A Bakar Jaafar	30,000	10,000	5,000	10,000	16,500	71,500	15,000	86,500
3.	Dato' Hj Ikhwan Bin Dato' Hj Sujak	30,000	20,000	-	-	16,500	66,500	13,000	79,500
4.	Tengku Maruan Tengku Ariff	30,000	-	5,000	-	16,500	51,500	9,000	60,500
5.	Hoong Cheong Thard	30,000	10,000	-	5,000	16,500	61,500	12,000	73,500
6.	Chiu Andrew Wah Wai	30,000	-	-	5,000	16,500	51,500	5,000	56,500
7.	Ferdaus Mahmood	30,000	-	-	-	16,500	46,500	7,000	53,500
8.	Dato' Pahlawan Mohd Shukri Dahlan	30,000	-	-	-	16,500	46,500	7,000	53,500
9.	Dato' Noorizah Binti Hj Abd Hamid ⁽⁶⁾	10,000	-	-	-	4,500	14,500	2,000	16,500
10.	Chai Keng Wai ⁽⁷⁾	4,375	-	-	-	1,500	5,875	-	5,875
TOTAL		344,375	40,000	20,000	10,000	138,000	552,375	79,000	631,375

The total fees amounting to RM552,375 is subject to shareholders' approval at the 56th AGM to be convened.

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (CONT'D)

Notes:

- (1) Audit Committee
- (2) Nominating Committee
- (3) Remuneration Committee
- (4) Basis used for the computation of additional fees to be paid to Non-Executive Directors based on number of Directors' Circular Resolution signed during the financial year ended 31 March 2019
- (5) Mandate from shareholders obtained from the previous 55th AGM for payment of meeting allowance for Board and Board Committees' meetings held during the financial year under review
- (6) Appointed as Director w.e.f. 1 December 2018
- (7) Resigned as Director w.e.f. 22 May 2018

There is no Directors' remuneration at subsidiary companies.

PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

Financial Reporting

The Board is responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Group, and for ensuring that the financial statements comply with the Companies Act, 2016 and applicable approved Accounting Standards in Malaysia.

The Board is assisted by the Audit Committee in fulfilling the statutory and fiduciary responsibilities in the assessment and evaluation of the Group's management and financial reports of the performance of business, accounting policies, risk and internal controls.

The Audit Committee serves as an independent party in the review of the financial information presented by Management before distribution to all shareholders and stakeholders. It ensures that the financial statements comply with applicable accounting standards and also provide direction over the internal audit function and relationship with the external auditors to ensure independence from Management.

The Audit Committee has met with the external auditors in relation to the audit of the annual financial statements in respect of the financial year under review without the presence of the management twice.

Further details of the Audit Committee are contained in the Audit Committee's Report in the next section of this Annual Report.

Internal Controls and Risk Management

The Board acknowledges their responsibility to maintain a sound system of internal controls covering not only financial controls but also operational and compliance as well as risk management. This system is designed to manage, rather than eliminate, the risk of failure to achieve the Group's corporate objectives, as well as to safeguard shareholders' investments and the Group's assets. The Board seeks regular assurance on the continuity and effectiveness of the internal control system through independent review by the internal and external auditors.

The details of the Enterprise Risk Management ("ERM") framework are disclosed in the Statement on Risk Management and Internal Control in the following section of this Annual Report.

PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

Corporate Disclosure

To ensure timely and high quality disclosure, Company Disclosure Policies and Procedures are in place where policies, authority chart, procedures and processes are clearly defined.

The Board recognises the importance of timely dissemination of information to shareholders and investors to ensure that they are well informed of all major developments of the Company and the Group. Such information is communicated to shareholders and investors through various disclosures and announcements to the Bursa Securities, including the quarterly financial results, annual reports and where appropriate, circulars and press releases.

In compliance with the Listing Requirements of Bursa Securities, all announcements made by the Company to Bursa Malaysia such as the Group's quarterly financial results, annual reports and other mandatory announcements are made available at the Company's website: www.land-general.com.

The website also contains current corporate and non-financial information to provide general information and the on-going

CORPORATE GOVERNANCE OVERVIEW

STATEMENT (CONT'D)

business activities of the Group.

Relationship with Shareholders and Investors

General meeting represents the principal forum for dialogue and interaction with shareholders. The Board encourages and welcomes participation from shareholders to ask questions regarding the resolutions being proposed at the meeting and also other matters pertaining to the business activities of the Group. The Directors, Senior Management personnel, the external auditors and advisers are present during these meetings to respond to questions raised by shareholders.

At the 55th AGM, the Managing Director and the Chief Financial Officer of the Company gave a slide presentation to the shareholders on the Group's operating and financial performance for the financial year under review which included up-to-date operational activities of the Group and following that, a question and answer session with the shareholders was held. As good corporate governance practice, the summary of discussion of the 55th AGM is published at the Company's website for public viewing.

At the 55th AGM held on 12 September 2018, poll vote was conducted.

To further promote effective communication and proactive engagement, any concerns or queries regarding the Group can be directed to YBhg Dato' Ir Dr A Bakar Jaafar who is the Senior Independent Director of the Company.

Address: YBhg Dato' Ir Dr A Bakar Jaafar
c/o Land & General Berhad
8trium, Level 21 Menara 1,
Jalan Cempaka SD 12/5
Bandar Sri Damansara
52200 Kuala Lumpur

Email: a.bakar.jaafar@land-general.com

In addition, to enable the public to forward queries to the Company, the aforesaid Company's website contains the names, contact email addresses and telephone numbers of the following personnel:

Mr Tan Boon Siong
Chief Financial Officer
Telephone No : 03-6279 8030
Fax No : 03-6275 1715
Email : bstan@land-general.com

Ms Lee Siw Yeng
Secretary
Telephone No. : 03-6279 8183
Fax No : 03-6277 7061
Email : sylee@land-general.com

KEY FOCUS AREAS AND FUTURE PRIORITIES

Moving forward, the Board will continue to enhance the corporate disclosures as required by the relevant regulations and continue to improve the Group's corporate governance practices and procedures particularly on effective risk management and internal control.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Directors are required by company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and of the results of the Group and of the Company of the financial year then ended.

In preparing the financial statements for the year ended 31 March 2019, the Directors have:

- adopted suitable accounting policies and then applied them consistently;
- made judgements and estimates that are prudent and reasonable;
- ensured applicable accounting standards have been followed, subject to any material departure and explained in the financial statements; and
- prepared the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and to enable them to ensure that the financial statements comply with the Companies Act, 2016. The Directors are also responsible for safeguarding the assets of the Group and of the Company and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Board Statement on Suitability and Independence of External Auditors

To uphold the integrity of financial reporting, the Board takes the stand that the external auditors must be objective, independent and competent in performing their audit in relation to the financial statements of the Group and the Company so as to ensure the audited financial statements give a true and fair view of the financial position of the Group and the Company.

ADDITIONAL COMPLIANCE INFORMATION

- Material Contracts**

The Company had on 30 April 2018 exercised its Option granted by Malaysia Land Properties Sdn Bhd ("Mayland") in favour of the Company for the acquisition of the entire equity interests in Soho Prestige Sdn Bhd ("SPSB") for a cash consideration of RM37,250,000. The Company had on the even date entered into the SPSB Share Sale Agreement with Mayland and the acquisition of SPSB was completed on 16 November 2018.

Please refer to the Company's announcement dated 30 April 2018 and 16 November 2018 for further information.

- Audit and Non-audit Fees**

The amount of audit fees paid or payable to the external auditor incurred by the Company and the Group for the financial year ended 31 March 2019 has been reflected under Note 21 to the Audited Financial Statements, on Page 127 of this Annual Report.

The amount of non-audit fees paid or payable to the external auditor incurred by the Company and the Group for the financial year ended 31 March 2019 has been reflected under Note 21 to the Audited Financial Statements, on Page 127 of this Annual Report.

- Status of utilisation of proceeds raised from corporate proposals**

As at 28 June 2019, the total proceeds of RM377,759,526.48 arising from rights issue were utilized as follows:-

Purposes	Proposed utilisation RM'000	Actual utilisation RM'000	Balance RM'000	Intended timeframe for utilisation from completion date
Settlement of balance of purchase consideration and outstanding balances or RM8.6 million	314,348	314,348	-	Within 18 months
Working capital requirements	60,912	60,912	-	Within 36 months
Estimated expenses for the Proposals	2,500	2,500	-	Within 6 months
Total	377,760	377,760	-	

AUDIT COMMITTEE REPORT

The Audit Committee ("AC") was established on 8 August 1991 to act as a Committee of the Board to fulfill its fiduciary responsibilities relating primarily to business ethics, policies and practices, and financial management and controls.

MEMBERS AND MEETINGS

The AC comprises three (3) members, two (2) of whom are Independent Non-Executive Directors and another one (1) is Non-Independent Non-Executive Director.

The AC held 6 meetings during the financial year ended 31 March 2019. The members of the AC and the record of their attendance are as follows:

Audit Committee	Position on the Board	Attendance/ Number of meetings held
1. Dato' Hj Ikhwan Salim Dato' Hj Sujak	Chairman of Audit Committee, Independent Non-Executive Director	6/6
2. Dato' Ir Dr A Bakar Jaafar	Senior Independent Non-Executive Director	6/6
3. Mr Hoong Cheong Thard	Non-Independent Non-Executive Director	5/6

AC has explicit right to convene meeting with internal and external auditors without the presence of the Management. The AC held two private meetings with the external auditors in the current financial year.

In compliance with the Listing Requirements of Bursa Malaysia Securities Berhad, the terms of reference of the AC is made available at the Company's website: www.land-general.com.

SUMMARY OF ACTIVITIES OF THE AUDIT COMMITTEE FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

For the financial year ended 31 March 2019, the main activities undertaken by the AC were as follows:-

A) Financial Reporting

- Reviewed the draft quarterly unaudited financial results of the Company and the Group and made the necessary recommendations to the Board for approval for announcement to Bursa Malaysia Securities Berhad;
- Reviewed the Audit Planning Memorandum before the commencement of audit. The external auditors' engagement partner was invited to present to the AC in relation to the audited financial statements for the financial year ended 31 March 2019 ("AFS"). Matters highlighted and discussed are summarised as follows:-
 - Auditor's scope of services and audit fees;
 - Auditor's independence in relation to the performance of audit in accordance with MIA By-laws;
 - Responsibilities of external auditors, directors and management in relation to the AFS;
 - Concept of materiality in relation to the performance of audit;
 - On-going review of key audit matters;
 - Areas of audit focus;
 - Audit methodology and timing of audit;
 - Significant accounting policies / disclosures;
 - Fraud considerations;
 - Readiness for Malaysian Business Reporting System; and
 - False or misleading financial statements.
- The external auditors had reported its audit findings to the AC on the outcome of their audit in relation to the financial positions of the Company and the Group. At the AC Meeting, the AC had considered and discussed the areas of audit focus as reported by external auditors;

AUDIT COMMITTEE REPORT (CONT'D)

The AC and external auditors discussed and considered the areas of audit focus and the outcome of the audit of the Group, summarised as follows:-

- a) Revenue recognition;
 - b) Transition from Financial Reporting Standards to Malaysian Financial Reporting Standards;
 - c) Impairment assessment of investment in subsidiaries and amount due from subsidiaries – Company;
 - d) Net realisable value assessment of land held for property development and inventories;
 - e) MFRS 123, Borrowing Costs – Determining Qualifying Assets;
 - f) Accounting treatment of loan to associate;
 - g) Early adoption of MFRS 16, Leases;
 - h) Expected credit loss on receivables (other than the receivables from sale of properties);
 - i) Provision for financial obligation;
 - j) Provision on closure of Sri Damansara Club;
 - k) Reversal of impairment loss of car park; and
 - l) Understatement of contingent consideration in prior year – Company.
4. Reviewed on the assistance given by the Group's employees to the external auditors;
 5. Reviewed the audited financial statements of the Company and the Group prior to the submission to the Board for their consideration and approval (to ensure that the audited financial statements were drawn up in accordance with the provisions of the Companies Act, 2016 and the applicable Financial Reporting Standards in Malaysia); and
 6. Reviewed and deliberated the assessment on external auditors' performance and independence pursuant to Guidance for Practice 8.3 of Malaysian Code on Corporate Governance 2017 ("MCCG 2017"). The aspects reviewed and deliberated by the AC are summarised as follows:-
 - a) independence and objectivity;
 - b) audit scope and planning;
 - c) audit communication;
 - d) quality processes/performance; and
 - e) audit fees.

B) Internal Audit

1. Reviewed, discussed and agreed the internal audit plan, scope, timeline and professional fees before commencement of internal audits. The AC also considered experience and background of the principal of the internal audit firm;
2. Reviewed and discussed the internal audit findings and internal audit follow-ups on the key divisions of the Group at the AC meetings. Issues highlighted and discussed include internal control issues and implementation of recommended control measures to be undertaken by the relevant divisions;
3. Reviewed the updated risk profile of the Group and the adequacy and integrity of the internal control systems to manage these risks; and
4. Reviewed and deliberated the internal audit function evaluation pursuant to Guidance for Practice 10.1 of MCCG 2017.

C) Others

1. Reviewed the Statement on Risk Management and Internal Control and the AC Report for Board's consideration and approval for inclusion in the annual report.

INTERNAL AUDIT FUNCTION

The internal audit function of the Group is currently carried out by BDO Governance Advisory Sdn Bhd ("BDO"), with effect from 4th quarter of financial year ended 31 March 2019. Prior to this, Bridge Corporate Advisory Sdn Bhd was the outsourced internal auditors.

BDO is an independent professional services provider whose principal responsibility is to undertake regular and systematic reviews of the system of internal controls, so as to provide reasonable assurance that such systems continue to operate effectively and efficiently. The internal audit function is to assist the Board and the AC to evaluate the system of internal control and to provide their recommendation to the Board and the Management for further improvement.

AUDIT COMMITTEE REPORT (CONT'D)

The internal auditors had carried out audits according to the internal audit plan and carry out the function according to International Standards for the Professional Practice of Internal Auditing. The following activities were carried out during the financial year:-

Subsidiaries / Division	Business Process Reviewed
Lang Education Sdn Bhd - Private and International Schools	<ul style="list-style-type: none"> • Student and Academic Management • Administration Management • Finance and Account Management • Human Resource Management
Land & General Berhad - Group Finance & Account - Group Human Resource & Administration	<ul style="list-style-type: none"> • Finance and Accounting Management • Human Resource Management • Administration Management
Lang Education Sdn Bhd - School Construction	<ul style="list-style-type: none"> • Tender and Selection of Consultants and Contractors • Project Planning and Cost Monitoring • Project Finance and Accounting Management • Construction Site Operations and Management
Bright Term Sdn Bhd - Sena Parc	<ul style="list-style-type: none"> • Tender and Selection Consultant, Contractors and Suppliers • Project Planning and Cost Monitoring • Sales and Marketing Management • Cash Management

During the financial year, the costs incurred for the internal audit function was RM72,370.05.

DATO' HJ IKHWAN SALIM DATO' HJ SUJAK
Chairman of Audit Committee
(Independent Non-Executive Director)

17 July 2019

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

INTRODUCTION

The Malaysian Code on Corporate Governance 2017 requires listed companies to maintain a sound system of risk management and internal controls to safeguard shareholders' investments and the Group's assets. Pursuant to paragraph 15.26(b) of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), the Board of Directors are required to include a statement in the Annual Report on the state of the Group's risk management and internal controls for financial year under review.

BOARD'S RESPONSIBILITY

The Board recognises the importance of a sound system of risk management and internal control to safeguard shareholders' investment and the Group's businesses and assets. The Board acknowledges its primary responsibility to ensure that risks in the Group are identified, measured and managed with appropriate system of risk management and internal controls, and to ensure that the effectiveness, adequacy and integrity of the risk management and internal control systems are reviewed on an on-going basis.

The review covers, inter alia, financial, operational and compliance system controls and risk management procedures of the Group. However, such procedures are designed to manage rather than to eliminate risks that may impede the achievement of the Group's business objectives. Accordingly, the system can only provide reasonable and not absolute assurance against material errors, misstatement, losses or fraud.

The Group has in place an on-going process for identifying, evaluating and managing significant risks that may affect the achievement of business objectives for the year and up to the date of this report. The significant risks are reported to the Board on regular basis for their deliberation.

The review of the adequacy and effectiveness of risk management and internal control processes is delegated by the Board to the Audit Committee ("AC").

The AC continuously evaluates and monitors the significant risks relevant to the Group and appraises and assesses the efficacy of controls implemented to mitigate those risks through a formalised monitoring and reporting process. Reviews are conducted by the AC on regular basis, with additional reviews as and when required.

Internal control and risk-related matters which warranted the attention of the Board were recommended by the AC to the Board for its deliberation and approval and matters or decisions made within the AC's purview were escalated to the Board for its notation.

ENTERPRISE RISK MANAGEMENT (ERM)

The Board has formalised a comprehensive Enterprise Risk Management ("ERM") Framework and clear governance structure that takes into account all significant aspects of internal control including risks assessment, the control environment and control activities, information and communication and monitoring. Key business risks have been categorised to highlight the source of the risk, and scored to reflect both financial and reputational impact of the risk and the likelihood of its occurrence.

The Board, AC, Senior Management Team and Heads of Department / Operating units ("HOD") of the Group play an important role in ensuring the effective management of risks. The risk management governance structure sets out the structure used to assign responsibility for managing risks and is based on the following key principles:-

1. Head of Department (or Operating Unit)
 - a) The responsibility of risk identification and management of each operating unit lies with the respective HOD, with the assistance of ERM service provider. Any significant risks identified with the corresponding risk management activities are communicated to Senior Management Team before the results are being communicated to the Board;
 - b) Involvement in identification, assessment, mitigation, monitoring and reporting of risks that are appropriate to the needs of the organisation; and
 - c) Implement and manage various controls identified.
2. Senior Management Team
 - a) Provide further input on identification, assessment, mitigation, monitoring and reporting of risks;
 - b) Moderate risk scoring based on group level risk tolerance; and
 - c) Consider and recommend changes of risk profile to AC by looking into the significance and impact of the risk on the overall Group operation assisted by ERM service provider.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

3. AC

- a) Ensure that there is a structured risk management framework in place;
- b) Review the status of implementation of the policies approved by the Board;
- c) Review the key risk profile of the Group and ensures adequate allocation of resources, appropriate measurements are in place for managing the prioritised risks;
- d) Communicate to the Board on the changes to the Key Risk Profiles and the course of action to be taken by Senior Management Team and/or HOD in mitigating these risks on periodic basis; and
- e) Approve changes to Risk Profiles based on recommendation by Senior Management Team assisted by ERM service provider.

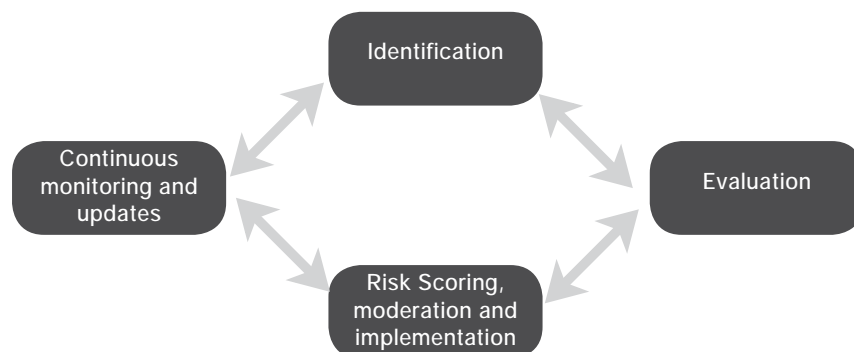
4. Board of Directors

- a) Assumes ultimate accountability over the effectiveness of the risk management and internal control system of the Group by establishing and supervising the operation of the risk management framework.

5. Internal Audit

- a) Review risk management activities adopted to ensure implementation and effectiveness.

The ERM process adopted is as follows:-



Significant or Main Principal Risk Relating To Group's Business

The Group has identified the significant risks that have high potential of impact and likelihood to the overall Group's operation and at the same time maintains the risk management system to ensure that the corporate objectives and strategies are achieved within the acceptable risk appetite of the Group:

Risk Profile	Causes	Mitigation Control
Weak Market Sentiment	Weaknesses in the domestic and international economic environment, continuing Government policy on building affordable homes, and continuing tight bank lending policies	The Group mitigates such risk by: <ul style="list-style-type: none"> Regular review of our marketing strategies for effectiveness and reaching out to wider markets including previously untapped markets. Offer better sales packages/incentives to reach out to target market.
High Inventory Level in the Property Market	Imbalance supply-demand in the property market	The Group mitigates such risk by: <ul style="list-style-type: none"> Enhance marketing strategy, be more innovative in product development and offer better sales packages to target market. Conduct comprehensive market survey before launching of new property.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

Risk Profile	Causes	Mitigation Control
Tenancy Risk for Menara L&G Putrajaya	<p>Arises due to causes as stated below:</p> <ul style="list-style-type: none"> • Difficulty in looking for suitable tenant. • High supply of office spaces in Putrajaya. • Location targeted towards a more niche market. • Onerous gas district cooling contract. 	<p>The Group mitigates such risk by:</p> <ul style="list-style-type: none"> • Quarterly management meetings to discuss the progress of Putrajaya Office's tenancy prospects. • Marketing team regularly reviewing prospects with external agencies. • Dedicated person in charge of maintaining Menara L&G Putrajaya to keep control of costs. • On-going discussion with gas district cooling supplier to reduce chilled water charges.
Poor Quality of Completed Properties	<p>Potential causes are:</p> <ul style="list-style-type: none"> • Poor monitoring of project • Site staff integrity • Shortage of skilled workers • Delay in construction resulting in rushed work 	<p>The Group mitigates such risk by:</p> <ul style="list-style-type: none"> • Periodic monitoring and reporting to the management by project manager. • Engagement of competent and responsible site supervisor and manager to monitor quality of properties using "Quality control checklist". • Competent consultants visiting site on a timely basis and do not certify claims submitted by contractor for work that is not up to mark. L&G will not pay such claims unless rectification is made. • Benchmark the construction against international standards/QLASSIC. • Warranty clause and performance bond are imposed on contractors. • Warranty certificate will be issued by contractor upon completion of work. • Payment will be held for any non-conformance report issued by Engineer or Architect until work/issue is rectified.

The ERM policy is mandatory for all operating units and forms an integral part of good management practice for the Group. Its purpose is to foster a proactive risk management culture within the Group's companies and departments.

As at the date of the Annual Report, the ERM framework and the Group risk profile are subject to yearly review or as and when necessary.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

INTERNAL AUDIT FUNCTIONS

The internal audit function of the Group is currently carried out by BDO Governance Advisory Sdn Bhd ("BDO"), with effect from 4th quarter of financial year ended 31 March 2019. Prior to this, Bridge Corporate Advisory Sdn Bhd ("Bridge") was the outsourced internal auditors.

BDO is an independent professional services provider which supports the Board with much of the assurance it requires regarding the adequacy and effectiveness of the Group's internal control system.

Internal audits are undertaken to provide independent assessments of the adequacy, efficiency and effectiveness of the Group's internal control systems, and reports are made to the AC on a quarterly basis. The AC also has full access to both internal and external auditors and receives reports on all audits performed.

The internal audit function reviews the internal controls in the key activities of the Group's business based on the annual audit plan and carry out the function according to International Standards for the Professional Practice of Internal Auditing, which is presented to the AC for approval. Since the adoption of the risk policy, the internal audit function has taken on a risk-based approach when preparing its audit strategy and plans, after having considered the risk profiles of the operating companies and divisions of the Group. The system of internal control has been structured in such a manner that it has provided reasonable assurance that the likelihood of a significant adverse impact on objectives arising from a future event or situation is at a level acceptable to the business. It achieved this through a combination of preventive, detective and corrective measures.

The audit reports that were tabled to the AC for their deliberation on quarterly basis include management response and corrective actions taken or to be taken in regard to the specific findings and recommendations. The Management as a whole is responsible for ensuring that the necessary corrective actions on reported weaknesses are promptly taken. The AC presents its findings regularly to the Board.

OTHER KEY ELEMENTS OF INTERNAL CONTROL

The other key elements of the Group's internal control system that are regularly reviewed by the Board and are described below:

- Defined appropriate level of delegation and reporting lines of responsibilities to Board Committees and to Management, including organisational structures and appropriate authority levels;
- Documented internal policies and procedures set out in the Group Procedures & Authorities (GPA) Manual, which are continuously reviewed and improved upon to reflect changes in business structures and processes. This provides a sound framework of authority and accountability within the organization and facilitates proper corporate decision making at the appropriate level in the organization's hierarchy;
- The Board receives and reviews regular reports including key operating statistics from the Management on the performance of operating units;
- A detailed budgeting process requires all operating units to prepare budgets annually which are reviewed and approved by the Board;
- The Board deliberates and approves the quarterly financial information which have been reviewed by the AC;
- The Board ensures that the risk management and control framework is embedded into the culture, processes and structures of the Group, where the framework is responsive to changes in the business environment and clearly communicated to all levels; and
- In respect of material joint ventures and associates, there are Board level representations from the Group to oversee the administration, operation, performance and executive management of these companies. Financial and operational information of these companies is provided regularly to the Management of the Group.

STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL (CONT'D)

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management and Internal Control pursuant to the scope set out in Audit and Assurance Practice Guide ("AAPG") 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants ("MIA") for inclusion in the annual report of the Group for the year ended 31 March 2019, and reported to the Board that nothing has come to their attention that cause them to believe that the statement intended to be included in the annual report of the Group, in all material respects:

- (a) has not been prepared in accordance with the disclosures required by paragraphs 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers, or
- (b) is factually inaccurate.

AAPG 3 does not require the external auditors to consider whether the Directors' Statement on Risk Management and Internal Control covers all risks and controls, or to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control system including the assessment and opinion by the Board of Directors and management thereon. The auditors are also not required to consider whether the processes described to deal with material internal control aspects of any significant problems disclosed in the annual report will, in fact, remedy the problems.

CONCLUSION

The Board has received assurance from the Managing Director and the Chief Financial Officer that the Group's risk management and internal control system is operating adequately and effectively, in all material aspect, based on the risk management and internal control system of the Group.

The Board is of the view that risk management and internal control system in place for the year under review and up to the date of issuance of the financial statement, is adequate and effective to safeguard shareholders' investment and the Group's asset.

Notwithstanding this, reviews of all control procedures will be continuously improved and enhancement of the existing system of risk management and internal controls will be made, taking into consideration the changing business environment.

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DIRECTORS' REPORT

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 March 2019.

Principal activities

The principal activities of the Company are investment holding, leasing of assets and provision of management services. The principal activities of the subsidiaries are set out in Note 6 to the financial statements.

Other information relating to the subsidiaries are disclosed in Note 6 to the financial statements.

Results

	Group RM'000	Company RM'000
Profit for the financial year attributable to:		
Equity owner to the Company	41,672	50,810
Non-controlling interest	7,283	-
	48,955	50,810

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

Dividend

Since the end of the previous financial year, the dividend paid by the Company in respect of the financial year ended 31 March 2018 as reported in the Directors' Report of that year which was declared on 12 September 2018 and paid on 26 October 2018 is as follows:

	RM'000
Final single tier dividend of 1.5 sen per ordinary shares	44,597

The Directors propose at the forthcoming Annual General Meeting, a dividend in respect of the financial year ended 31 March 2019, of 1 sen per share on 2,973,135,003 ordinary shares, amounting to RM29,731,350. The financial statements for the current financial year do not reflect this proposed dividend. This dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the financial year ending 31 March 2020.

Directors of the Company

Directors who served during the financial year until the date of this report are:

Dato' Hj Zainal Abidin Bin Putih (Chairman)
 Low Gay Teck (Managing Director)**
 Dato' Ir. Dr A. Bakar Jaafar
 Dato' Hj Ikhwan Salim Bin Dato' Hj Sujak
 YM Tengku Maruan Bin Tengku Ariff
 Hoong Cheong Thard
 Chiu Andrew Wah Wai
 Ferdaus Bin Mahmood**
 Dato' Pahlawan Mohd Shukri Bin Dahlan
 Dato' Noorizah Binti Hj Abd Hamid (appointed on 1 December 2018)
 Chai Keng Wai (resigned on 22 May 2018)

** These directors are also directors of the Company's subsidiaries.

DIRECTORS' REPORT (CONT'D)

Directors of the Company (cont'd.)

The names of the directors of the Company's subsidiaries in office since the beginning of the financial year to the date of this report (not including those directors listed above) are:

Abdul Hamid Md Yusof
 Abdullah Ali
 Yap Yin Kuen
 Chin Foo Teck
 Rahmat Dahalan
 Lau Siang Ee
 Chiah Hwa Kai
 Tan Boon Siong
 Wong Hee Chai (appointed on 31 May 2019)
 Eddie Kan Mun Leong (resigned on 31 May 2019)

Directors' interests

The interests and deemed interests in the ordinary shares and warrants over shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	At 1.4.2018	Number of ordinary shares		At 31.3.2019
		Bought	Sold	
The Company				
Direct interest				
Tengku Maruan Bin Tengku Ariff	2,000	-	-	2,000
Dato' Pahlawan Mohd Shukri Bin Dahlan	2,000	-	-	2,000
Indirect interest				
Chiu Andrew Wah Wai	1,032,538,800	234,800	-	1,032,773,600

No other directors in office at the end of the financial year had any interest in shares or in debentures of the Company and its related corporations during the financial year.

Directors' benefits

Since the end of the previous financial year, none of the Directors have received or become entitled to receive any benefit (other than those benefits included in the aggregate amount of remuneration received or due and receivable by the Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements made during and at the end of the financial year, to which the Company is a party, which had the object of enabling the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Issue of shares and debentures

During the financial year, the issued and paid up share capital of the Company was increased by way of issuance of 42,840,836 new ordinary shares pursuant to the following ICULS conversion:

- Cash conversion of 2,480,100 ICULS into 2,480,100 new ordinary shares following the receipt of cash proceeds of RM173,607 at the conversion price of RM0.20 per ordinary share;
- Non-cash conversion of 9,061,500 ICULS into 5,889,975 new ordinary shares at conversion prices of RM0.20 each; and
- The said ICULS matured on 24 September 2018 and upon maturity, the outstanding 53,031,958 units of ICULS were automatically converted into 34,470,761 new ordinary shares at the conversion price of RM0.20 each.

The newly issued shares rank pari passu in all respects with the existing ordinary shares of the Company.

The Company did not issue any debentures during the financial year.

DIRECTORS' REPORT (CONT'D)

Indemnity and insurance costs

There was no indemnity given to the Directors, officers and auditors of the Company during the financial year.

During the financial year, Corporate Liability Insurance ("CLI") was in place and the total premium of the CLI paid was RM16,910.00. The premium was borne by the Company and the Directors of the Company.

Other statutory information

Before the financial statements of the Group and the Company were made out, the Directors took reasonable steps to ascertain that:

- i) all known bad debts have been written off and adequate provision made for doubtful debts; and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- i) that would render the amount written off for bad debts or the amount of the provision for doubtful debts in the Group and in the Company inadequate to any substantial extent, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and the Company misleading.

At the date of this report, there does not exist:

- i) any charge on the assets of the Group and the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group and the Company that has arisen since the end of the financial year.

No contingent liability or other liability of the Group and the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Company to meet its obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and the Company for the financial year ended 31 March 2019 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration is disclosed in Note 21 to the financial statements.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

Low Gay Teck
Director

Ferdaus Bin Mahmood
Director

Kuala Lumpur

Date: 18 July 2019

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2019

		Group			Company		
	Note	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Assets							
Property, plant and equipment	3	110,180	91,227	92,093	436	67	190
Investment properties	4	84,811	86,353	87,829	23,656	24,071	24,485
Inventories	5	534,193	470,537	157,640	-	-	-
Investments in subsidiaries	6	-	-	-	931,958	776,933	249,009
Investments in associates	7	151,568	149,041	-	-	-	-
Investment in a joint venture	8	-	-	-	-	-	-
Other investment		11,468	11,900	13,092	11,468	11,900	13,092
Deferred tax assets	9	15,159	7,938	22,329	-	7	29
Trade and other receivables	10	-	-	-	-	45,016	204,148
Other non-current assets		1,531	198	201	183	186	189
Total non-current assets		908,910	817,194	373,184	967,701	858,180	491,142
Inventories	5	302,553	239,581	237,666	-	-	-
Trade and other receivables	10	13,820	17,588	42,182	214	42,786	102,437
Other current assets		1,436	3,041	8,062	424	1,071	1,943
Contract assets	11	79,290	45,786	41,525	-	-	-
Contract costs	12	17,218	31,191	21,010	-	-	-
Tax recoverable		3,763	4,615	421	219	-	384
Deposits, cash and bank balances	13	218,912	385,422	390,419	14,706	96,720	33,632
Total current assets		636,992	727,224	741,285	15,563	140,577	138,396
Total assets		1,545,902	1,544,418	1,114,469	983,264	998,757	629,538
Equity							
Share capital	14	660,232	651,664	272,032	660,232	651,664	272,032
ICULS – equity component		-	7,871	9,036	-	7,871	9,036
Retained profits		428,500	432,211	365,136	266,221	260,523	221,858
Other reserves		12,285	12,389	12,133	-	-	-
Equity attributable to owners of the Company		1,101,017	1,104,135	658,337	926,453	920,058	502,926
Non-controlling interests		73,698	21,416	19,435	-	-	-
Total equity		1,174,715	1,125,551	677,772	926,453	920,058	502,926

The notes on pages 80 to 160 are an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2019 (CONT'D)

		Group			Company		
	Note	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Liabilities							
Provisions	15	-	41,611	39,895	-	41,611	39,895
Trade and other payables	16	154	47,105	44,694	-	-	-
Borrowings	17	168,831	169,842	66,244	255	-	21
Deferred tax liabilities	9	24,704	23,778	23,323	-	-	-
Other non-current liabilities		862	-	120	-	-	120
Total non-current liabilities		194,551	282,336	174,276	255	41,611	40,036
Provisions	15	41,939	26,877	82,040	22,506	1,700	351
Trade and other payables	16	105,002	75,043	46,134	33,979	35,108	27,507
Contract liabilities	11	4,596	18,335	6,260	-	-	-
Borrowings	17	21,694	15,777	25,316	71	21	85
Tax payable		2,900	418	44,038	-	178	-
Dividend payable		-	-	58,577	-	-	58,577
Other current liabilities		505	81	56	-	81	56
Total current liabilities		176,636	136,531	262,421	56,556	37,088	86,576
Total liabilities		371,187	418,867	436,697	56,811	78,699	126,612
Total equity and liabilities		1,545,902	1,544,418	1,114,469	983,264	998,757	629,538

The notes on pages 80 to 160 are an integral part of these financial statements.

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2019

		Group		Company	
	Note	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Revenue	18	134,435	92,930	38,847	38,624
Other income	19	47,893	94,331	21,416	15,149
Property development expenditure recognised as expense		(72,796)	(28,366)	-	-
Changes in inventories		(3,074)	(2,497)	-	-
Staff costs	20	(21,973)	(21,664)	(3,215)	(4,288)
Other expenses		(31,677)	(46,559)	(3,637)	(6,389)
Operating profit		52,808	88,175	53,411	43,096
Finance costs		(2,442)	(4,409)	(1,964)	(3,197)
Share of results of an associate		2,527	(3,301)	-	-
Profit before tax	21	52,893	80,465	51,447	39,899
Income tax expense	22	(3,938)	(11,409)	(637)	(1,234)
Profit for the year		48,955	69,056	50,810	38,665
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Foreign currency translation differences for foreign operations		(104)	256	-	-
Other comprehensive income for the year		(104)	256	-	-
Total comprehensive income for the year		48,851	69,312	50,810	38,665
Profit attributable to:					
Owners of the Company		41,672	67,075	50,810	38,665
Non-controlling interests		7,283	1,981	-	-
Profit for the year		48,955	69,056	50,810	38,665
Total comprehensive income attributable to:					
Owners of the Company		41,568	67,331	50,810	38,665
Non-controlling interests		7,283	1,981	-	-
Total comprehensive income for the year		48,851	69,312	50,810	38,665
Basic earnings per ordinary share (sen):					
Basic		1.41	2.47		
Diluted		1.41	2.42		

The notes on pages 80 to 160 are an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2019

Group	Attributable to owners of the Company						Non- controlling interests RM'000	Total equity RM'000
	Non-distributable				Distributable			
	Share capital RM'000	ICULS - equity component RM'000	Capital reserve RM'000	Foreign exchange reserve RM'000	Retained profits RM'000	Total RM'000		
At 1 April 2017	272,032	9,036	12,133	-	365,136	658,337	19,435	677,772
Profit for the year	-	-	-	-	67,075	67,075	1,981	69,056
Other comprehensive income for the year	-	-	-	256	-	256	-	256
Total comprehensive income for the year	-	-	-	256	67,075	67,331	1,981	69,312
Conversion of ICULS	1,872	(1,160)	-	-	-	712	-	712
Deferred tax effects on ICULS	-	(5)	-	-	-	(5)	-	(5)
Issuance of shares	377,760	-	-	-	-	377,760	-	377,760
Total transactions with owners of the Company	379,632	(1,165)	-	-	-	378,467	-	378,467
At 31 March 2018	651,664	7,871	12,133	256	432,211	1,104,135	21,416	1,125,551
	Note 14							
1 April 2018	651,664	7,871	12,133	256	432,211	1,104,135	21,416	1,125,551
Profit for the year	-	-	-	-	41,672	41,672	7,283	48,955
Other comprehensive income for the year	-	-	-	(104)	-	(104)	-	(104)
Total comprehensive income for the year	-	-	-	(104)	41,672	41,568	7,283	48,851
Conversion of ICULS	1,674	(1,488)	-	-	-	186	-	186
ICULS maturity conversion	6,894	(6,383)	-	-	(515)	(4)	-	(4)
Dividend paid to shareholders	24	-	-	-	(44,597)	(44,597)	-	(44,597)
Conversion of loan to equity	16.1	-	-	-	-	-	44,999	44,999
Others	-	-	-	-	(271)	(271)	-	(271)
Total transactions with owners of the Company	8,568	(7,871)	-	-	(45,383)	(44,686)	44,999	313
At 31 March 2019	660,232	-	12,133	152	428,500	1,101,017	73,698	1,174,715

Note 14

The notes on pages 80 to 160 are an integral part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2019 (CONT'D)

Company	Note	Non-distributable		Distributable	Total equity RM'000
		Share capital RM'000	ICULS - equity component RM'000	Retained profits RM'000	
At 1 April 2017		272,032	9,036	221,858	502,926
Profit/Total comprehensive income for the year		-	-	38,665	38,665
Transaction with owners					
Conversion of ICULS		1,872	(1,160)	-	712
Deferred tax effects on ICULS		-	(5)	-	(5)
Issuance of shares		377,760	-	-	377,760
Total transactions with owners		379,632	(1,165)	-	378,467
At 31 March 2018/1 April 2018		651,664	7,871	260,523	920,058
Profit/Total comprehensive income for the year		-	-	50,810	50,810
Transaction with owners					
Conversion of ICULS		1,674	(1,488)	-	186
ICULS maturity conversion		6,894	(6,383)	(515)	(4)
Dividend paid to shareholders	24	-	-	(44,597)	(44,597)
Total transactions with owners		8,568	(7,871)	(45,112)	(44,415)
At 31 March 2019		660,232	-	266,221	926,453

Note 14

The notes on pages 80 to 160 are an integral part of these financial statements.

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2019

		Group	Company	
Note	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Cash flows from operating activities				
Cash receipts from customers	95,115	85,601	-	-
Cash payments to suppliers and employees	(133,055)	(92,683)	(3,097)	(6,647)
Dividend received from subsidiaries	-	-	60,000	53,500
Proceeds from disposal of land held for development	-	14,221	-	-
Interest received	3,491	8,500	304	970
Dividend on money market funds	7,498	5,750	2,270	2,375
Tax paid	(7,255)	(32,733)	(1,027)	(655)
Tax refund	230	66	-	-
Other operating receipts	2,237	1,593	687	745
Other operating payments	(23,730)	(23,808)	(142)	(7,467)
Net cash (used in)/generated from operating activities	(55,469)	(33,493)	58,995	42,821
Cash flows from investing activities				
Final payment for acquisition of subsidiaries	6	(47,232)	(37,246)	(268,485)
Purchase of property, plant and equipment		(14,570)	(100)	(7)
Proceeds from disposal of property, plant and equipment		99	99	-
Withdrawal of deposits with periods more than 3 months		35,276	1,488	29,577
Withdrawals of money market funds		89	671	864
Net advances to subsidiaries		-	(60,369)	(31,402)
Placements of deposits held in trust		(1,714)	-	-
Placements of deposits pledged as security for bank guarantee facility		(7,251)	-	-
Others		600	600	-
Net cash used in investing activities	(34,703)	(90,445)	(94,857)	(269,453)
Cash flows from financing activities				
Proceeds from issuance of shares		377,760	-	377,760
ICULS conversion proceeds		693	174	693
Drawdown of bridging loan		-	-	-
Drawdown of term loan		14,720	-	-
Drawdown of revolving credit		-	-	-
Repayment of term loan		(40,153)	-	-
Payment of hire purchase obligations		(85)	(73)	(85)
Dividend paid to shareholders		(58,577)	(44,597)	(58,577)
Interest payments		(9,389)	(88)	(96)
Net cash (used in)/from financing activities	(50,171)	284,969	(44,584)	319,695
Net (decrease)/increase in cash and cash equivalents	(140,343)	161,031	(80,446)	93,063
Cash and cash equivalents at beginning of financial year	342,099	182,312	95,123	2,462
Effects of fair value gain/(loss) on cash and cash equivalents	144	(1,244)	(80)	(402)
Cash and cash equivalents at end of financial year	13	201,900	14,597	95,123

The notes on pages 80 to 160 are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

Land & General Berhad is a public limited liability company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Securities. The address of the principal place of business and registered office of the Company is as follows:

Principal place of business/Registered office

8trium, Level 21, Menara 1
Jalan Cempaka SD12/5
Bandar Sri Damansara
52200 Kuala Lumpur

The consolidated financial statements as at and for the financial year ended 31 March 2019 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”) and the Group’s interest in associates and joint ventures.

The principal activities of the Company are investment holding, leasing of assets and provision of management services.

The principal activities of the subsidiaries are as stated in Note 6 of the financial statements.

These financial statements were authorised for issue by the Board of Directors on 18 July 2019.

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards and the requirements of Companies Act 2016 in Malaysia.

The financial statements for the year ended 31 March 2019 are the Group’s and the Company’s first financial statements in accordance with MFRS, and MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards* has been applied in the preparation of these financial statements.

In the previous years, the financial statements of the Group and the Company were prepared in accordance with Financial Reporting Standards in Malaysia. The financial impact on transition to MFRSs are disclosed in Note 30.

MFRSs, Interpretations and amendments early adopted by the Group and the Company

On transition to MFRS on 1 April 2017, the Group and the Company have early adopted MFRS 16, Leases, the Amendment to MFRS 123, *Borrowing Costs* (“Annual Improvement to MFRS Standards 2015 – 2017 Cycle”) and the Amendment to MFRS 3, *Business Combination – Definition of a Business*.

MFRSs, Interpretations and amendments that have not been adopted by the Group and the Company

The following are accounting standards, interpretations and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group and the Company:

Interpretations and amendments effective for annual periods beginning on or after 1 January 2019

- IC Interpretation 23, *Uncertainty over Income Tax Treatments*
- Amendments to MFRS 3, *Business Combinations* (Annual Improvements to MFRS Standards 2015-2017 Cycle)
- Amendments to MFRS 9, *Financial Instruments – Prepayment Features with Negative Compensation*
- Amendments to MFRS 11, *Joint Arrangements* (Annual Improvements to MFRS Standards 2015-2017 Cycle)
- Amendments to MFRS 112, *Income Taxes* (Annual Improvements to MFRS Standards 2015-2017 Cycle)
- Amendments to MFRS 119, *Employee Benefits – Plan Amendment, Curtailment or Settlement*
- Amendments to MFRS 128, *Investments in Associates and Joint Ventures – Long-term Interests in Associates and Joint Ventures*

Amendments effective for annual periods beginning on or after 1 January 2020

- Amendments to MFRS 101, *Presentation of Financial Statements* and MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Material*

MFRS effective for annual periods beginning on or after 1 January 2021

- MFRS 17, *Insurance Contracts*

Amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

1. Basis of preparation (cont'd.)

(a) Statement of compliance (cont'd.)

The Group and the Company plan to apply the abovementioned accounting standards, amendments and interpretations:

- from the annual period beginning on 1 April 2019 for those accounting standard, amendments and interpretation that are effective for annual periods beginning on or after 1 January 2019, and
- from the annual period beginning on 1 April 2020 for those amendments that are effective for annual periods beginning on or after 1 January 2020.

The Group and the Company do not plan to apply MFRS 17, *Insurance Contracts* that is effective for annual periods beginning on 1 January 2021 as it is not applicable to the Group and the Company.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis other than as disclosed in Note 2 to the financial statements.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- Note 6 and 7 – Classification of loans as cost of investment
- Note 9 – Recognition deferred tax assets
- Note 15 – Provisions
- Note 18 – Revenue recognition

2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in the financial statement and in preparing the opening MFRS statements of financial position of the Group and of the Company at 1 April 2017 (the transition date to MFRS framework), unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. Significant accounting policies (cont'd.)

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities, including structured entities, controlled by the Company. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Potential voting rights are considered when assessing control only when such rights are substantive. The Group considers it has de facto power over an investee when, despite not having the majority of voting rights, it has the current ability to direct the activities of the investee that significantly affect the investee's return.

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses, unless the investment is classified as held for sale or distribution. The cost of investments includes transaction costs. Financial instrument (loans or advances) which, in substance, provides current access to the returns associated with an underlying ownership interest; or substantially all of the instrument's returns are driven by the financial performance of the subsidiaries such that the instrument provides an exposure similar to an investment in ordinary shares of the subsidiaries are also accounted for as investment in subsidiaries.

(ii) Business combinations

Business combinations are accounted for using the acquisition method from the acquisition date, which is the date on which control is transferred to the Group.

For new acquisitions, the Group measures the cost of goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree; less
- the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

For each business combination, the Group elects whether it measures the non-controlling interests in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets at the acquisition date.

Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

(iii) Acquisitions of non-controlling interests

The Group accounts all changes in its ownership interest in a subsidiary that do not result in a loss of control as equity transactions between the Group and its non-controlling interest holders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

(iv) Loss of control

Upon the loss of control of a subsidiary, the Group derecognises the assets and liabilities of the former subsidiary, any non-controlling interests and the other components of equity related to the former subsidiary from the consolidated statement of financial position. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the former subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or as an available-for-sale financial asset depending on the level of influence retained.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. Significant accounting policies (cont'd.)

(a) Basis of consolidation (cont'd.)

(v) Associates

Associates are entities, including unincorporated entities, in which the Group has significant influence, but not control, over the financial and operating policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method less any impairment losses, unless it is classified as held for sale or distribution. The cost of the investment includes transaction costs. The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of the associates, after adjustments if any, to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest including any long-term investments is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the associate.

When the Group ceases to have significant influence over an associate, any retained interest in the former associate at the date when significant influence is lost is measured at fair value and this amount is regarded as the initial carrying amount of a financial asset. The difference between the fair value of any retained interest plus proceeds from the interest disposed of and the carrying amount of the investment at the date when equity method is discontinued is recognised in the profit or loss.

When the Group's interest in an associate decrease but does not result in a loss of significant influence, any retained interest is not remeasured. Any gain or loss arising from the decrease in interest is recognised in profit or loss. Any gains or losses previously recognised in other comprehensive income are also reclassified proportionately to profit or loss if that gain or loss would be required to be reclassified to profit or loss on the disposal of the related assets or liabilities.

Investments in associates are measured in the Company's statement of financial position at cost less any impairment losses. The cost of the investment includes transaction costs. Financial instrument (loans or advances) which, in substance, provides current access to the returns associated with an underlying ownership interest; or substantially all of the instrument's returns are driven by the financial performance of the associate such that the instrument provides an exposure similar to an investment in ordinary shares of the associate are also accounted for as investment in associates by the Group or the Company.

(vi) Joint arrangements

Joint arrangements are arrangements of which the Group or the Company have joint control, established by contracts requiring unanimous consent for decisions about the activities that significantly affect the arrangements' returns.

Joint arrangements are classified and accounted for as follows:

- A joint arrangement is classified as "joint operation" when the Group has rights to the assets and obligations for the liabilities relating to an arrangement. The Group or the Company accounts for each of its share of the assets, liabilities and transactions, including its share of those held or incurred jointly with the other investors, in relation to the joint operation.
- A joint arrangement is classified as "joint venture" when the Group has rights only to the net assets of the arrangements. The Group accounts for its interest in the joint venture using the equity method as disclosed in Note 2(a)(v).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. Significant accounting policies (cont'd.)

(a) Basis of consolidation (cont'd.)

(vii) Non-controlling interests

Non-controlling interests at the end of the reporting year, being the equity in a subsidiary not attributable directly or indirectly to the equity holders of the Company, are presented in the consolidated statement of financial position and statement of changes in equity within equity, separately from equity attributable to the owners of the Company. Non-controlling interests in the results of the Group is presented in the consolidated statements of profit or loss and other comprehensive income as an allocation of the profit or loss and the comprehensive income for the year between non-controlling interests and owners of the Company.

Losses applicable to the non-controlling interests in a subsidiary are allocated to the non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

(viii) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity-accounted associates and joint venture are eliminated against the investment to the extent of the Group's interest in the investees. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the end of the reporting year are retranslated to the functional currency at the exchange rate at that date.

Non-monetary assets and liabilities denominated in foreign currencies are not retranslated at the end of the reporting date except for those that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value is determined.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for differences arising from a financial instrument designated as a hedge of currency risk, which are recognised in other comprehensive income.

In the consolidated financial statements, when settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and are presented in the foreign exchange reserve in equity.

(ii) Operations denominated in functional currencies other than Ringgit Malaysia

The assets and liabilities of operations denominated in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at exchange rates at the end of the reporting year. The income and expenses of foreign operations are translated to RM at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income and accumulated in the foreign exchange reserve in equity. However, if the operation is a non-wholly owned subsidiary, then the relevant proportionate share of the translation difference is allocated to the non-controlling interests. When a foreign operation is disposed of such that control, significant influence or joint control is lost, the cumulative amount in the foreign exchange reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

When the Group disposes of only part of its interest in a subsidiary that includes a foreign operation, the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of its investment in an associate or joint venture that includes a foreign operation while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. Significant accounting policies (cont'd.)

(c) Financial instruments

Unless specifically disclosed below, the Group and the Company generally applied the following accounting policies retrospectively. Nevertheless, as permitted by MFRS 1, *First-time Adoption of Malaysia Financial Reporting Standards*, the Group and the Company have elected not to restate the comparatives for financial instruments.

(i) Recognition and initial measurement

A financial asset or a financial liability is recognised in the statement of financial position when, and only when, the Group or the Company becomes a party to the contractual provisions of the instrument.

Current financial year

A financial asset (unless it is a trade receivable without significant financing component) or a financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issuance. A trade receivable without a significant financing component is initially measured at the transaction price.

Previous financial year

Financial instrument was recognised initially at its fair value plus or minus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that were directly attributable to the acquisition or issue of the financial instrument.

(ii) Financial instrument categories and subsequent measurement

Financial assets

Current financial year

Categories of financial assets are determined on initial recognition and are not reclassified subsequent to their initial recognition unless the Group or the Company changes its business model for managing financial assets in which case all affected financial assets are reclassified on the first day of the first reporting period following the change of the business model.

(a) *Amortised cost*

Amortised cost category comprises financial assets that are held within a business model whose objective is to hold assets to collect contractual cash flows and its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The financial assets are not designated as fair value through profit or loss. Subsequent to initial recognition, these financial assets are measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Interest income is recognised by applying effective interest rate to the gross carrying amount except for credit impaired financial assets (see Note 2(m)(i)) where the effective interest rate is applied to the amortised cost.

(b) *Fair value through other comprehensive income*

Equity investments

This category comprises investment in equity that is not held for trading, and the Group and the Company irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of investment. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are not reclassified to profit or loss.

At this juncture, the Group and the Company has not elected to present subsequent changes on any of its investment's fair value in other comprehensive income.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. Significant accounting policies (cont'd.)

(c) Financial instruments (cont'd.)

(ii) Financial instrument categories and subsequent measurement (cont'd.)

Financial assets (cont'd.)

Current financial year (cont'd.)

(c) Fair value through profit or loss

All financial assets not measured at amortised cost or fair value through other comprehensive income as described above are measured at fair value through profit or loss. This includes derivative financial assets (except for a derivative that is a designated and effective hedging instrument). On initial recognition, the Group or the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at fair value through other comprehensive income as at fair value through profit or loss if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets categorised as fair value through profit or loss are subsequently measured at their fair value. Net gains or losses, including any interest or dividend income, are recognised in the profit or loss.

All financial assets, except for those measured at fair value through profit or loss and equity investments measured at fair value through other comprehensive income, are subject to impairment assessment (see Note 2(m)(i)).

Previous financial year

In the previous financial year, financial assets of the Group and the Company were classified and measured as follows:

(a) Financial assets at fair value through profit or loss

Fair value through profit or loss category comprised financial assets that were held for trading, including derivatives (except for a derivative that was a financial guarantee contract or a designated and effective hedging instrument), contingent consideration in a business combination or financial assets that were specifically designated into this category upon initial recognition.

Other financial assets categorised as fair value through profit or loss were subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(b) Loans and receivables

Loans and receivables category comprised debt instruments that were not quoted in an active market, trade and other receivables and cash and cash equivalents.

Financial assets categorised as loans and receivables were subsequently measured at amortised cost using the effective interest method.

All financial assets, except for those measured at fair value through profit or loss, were subject to impairment assessment (see Note 2(m)(i)).

Financial liabilities

Current financial year

The categories of financial liabilities at initial recognition are as follows:

(a) Fair value through profit or loss

Fair value through profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument), contingent consideration in a business combination and financial liabilities that are specifically designated into this category upon initial recognition.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. Significant accounting policies (cont'd.)

(c) Financial instruments (cont'd.)

(ii) Financial instrument categories and subsequent measurement (cont'd.)

Financial liabilities (cont'd.)

Current financial year (cont'd.)

(a) Fair value through profit or loss (cont'd.)

On initial recognition, the Group or the Company may irrevocably designate a financial liability that otherwise meets the requirements to be measured at amortised cost as at fair value through profit or loss:

- (i) if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise;
- (ii) a group of financial liabilities or assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the group is provided internally on that basis to the Group's key management personnel; or
- (iii) if a contract contains one or more embedded derivatives and the host is not a financial asset in the scope of MFRS 9, where the embedded derivative significantly modifies the cash flows and separation is not prohibited.

Financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair value with gains or losses, including any interest expense are recognised in the profit or loss.

For financial liabilities where it is designated as fair value through profit or loss upon initial recognition, the Group and the Company recognise the amount of change in fair value of the financial liability that is attributable to change in credit risk in the other comprehensive income and remaining amount of the change in fair value in the profit or loss, unless the treatment of the effects of changes in the liability's credit risk would create or enlarge an accounting mismatch.

(b) Amortised cost

Other financial liabilities not categorised as fair value through profit or loss are subsequently measured at amortised cost using the effective interest method.

Interest expense and foreign exchange gains and losses are recognised in the profit or loss. Any gains or losses on derecognition are also recognised in the profit or loss.

Previous financial year

In the previous financial year, financial liabilities of the Group and the Company including the contingent consideration were subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprised financial liabilities that were derivatives or financial liabilities that were specifically designated into this category upon initial recognition.

Financial liabilities categorised as fair value through profit or loss were subsequently measured at their fair values with the gain or loss recognised in profit or loss.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. Significant accounting policies (cont'd.)

(c) Financial instruments (cont'd.)

(iii) Regular way purchase or sale of financial assets

A regular way purchase or sale of financial assets is recognised and derecognised, as applicable, using trade date or settlement date accounting.

Trade date accounting refers to:

- (a) the recognition of an asset to be received and the liability to pay for it on the trade date, and
- (b) derecognition of an asset that is sold, recognition of any gain or loss on disposal and the recognition of a receivable from the buyer for payment on the trade date.

Settlement date accounting refers to:

- (a) the recognition of an asset on the day it is received by the Group or the Company, and
- (b) derecognition of an asset and recognition of any gain or loss on disposal on the day that is delivered by the Group or the Company.

Any change in the fair value of the asset to be received during the period between the trade date and the settlement date is accounted in the same way as it accounts for the acquired asset.

Generally, the Group or the Company applies settlement date accounting unless otherwise stated for the specific class of asset.

(iv) Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the original or modified terms of a debt instrument.

Current financial year

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at higher of:

- the amount of the loss allowance; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance to the principles of MFRS 15, *Revenue from Contracts with Customers*.

Liabilities arising from financial guarantees are presented together with other provisions.

Previous financial year

In the previous financial year, fair value arising from financial guarantee contracts were classified as deferred income and was amortised to profit or loss using a straight-line method over the contractual period or, when there was no specified contractual period, recognised in profit or loss upon discharge of the guarantee. When settlement of a financial guarantee contract was probable, an estimate of the obligation was made. If the carrying value of the financial guarantee contract was lower than the obligation, the carrying value was adjusted to the obligation amount and accounted for as a provision.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. Significant accounting policies (cont'd.)

(c) Financial instruments (cont'd.)

(v) Derecognition

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or transferred, or control of the asset is not retained or substantially all of the risks and rewards of ownership of the financial asset are transferred to another party. On derecognition of a financial asset, the difference between the carrying amount of the financial asset and the sum of consideration received (including any new asset obtained less any new liability assumed) is recognised in profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged, cancelled or expires. A financial liability is also derecognised when its terms are modified and the cash flows of the modified liability are substantially different, in which case, a new financial liability based on modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

(vi) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group or the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and liability simultaneously.

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour. For qualifying assets, borrowing costs are capitalised in accordance with the accounting policy on borrowing costs.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

The gain or loss on disposal of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and is recognised net within "other income" and "other expenses" respectively in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group or the Company, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised to profit or loss. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. Significant accounting policies (cont'd.)

(d) Property, plant and equipment (cont'd.)

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative years are as follows:

• Buildings	10 – 50 years
• Other plant and equipment	2.5 – 10 years
• Sales gallery	5 – 10 years

Depreciation methods, useful lives and residual values are reviewed at the end of the reporting year and adjusted as appropriate.

(e) Investment properties

Investment properties are properties which are owned or held under a leasehold interest to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods and services or for administrative purposes.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at costs less any accumulated depreciation and any accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the investment property.

Freehold land has an unlimited life and therefore is not depreciated. Investment properties carried at cost are depreciated over the economic useful life ranging from 20 to 50 years.

An investment property is derecognised on its disposal, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal. The difference between the net disposal proceeds and the carrying amount is recognised in the year in which the item is derecognised.

(f) Goodwill

Goodwill arises on business combinations is measured at cost less any accumulated impairment losses. In respect of equity-accounted associates and joint venture, the carrying amount of goodwill is included in the carrying amount of the investment and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted associates and joint venture.

(g) Bearer plant

Biological assets comprised produce growing on trees, and are measured at fair values less costs of disposal. Any gains or losses arising from changes in the fair values less costs of disposal are recognised in profit or loss. Fair value is determined based on the present value of expected net cash flows from the biological assets. The expected net cash flows are estimated using the expected output method and the estimated market price of the biological assets.

Bearer plant is accounted for as property, plant and equipment. All costs relating to bearer plants are capitalised until such time the bearer plants reach maturity, at which point all further costs are expenses and depreciation commences. Costs to reach maturity include seedling and planting costs, other upkeep costs and an allocation of overhead costs.

The estimated useful lives for the current and comparative years is as follows:

• Bearer plants – oil palm	25 years
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NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. Significant accounting policies (cont'd.)

(h) Leased assets

The Group and the Company have early adopted MFRS 16 and applied it retrospectively.

The Group and the Company used the following practical expedients when applying MFRS 16:

- Excluded initial direct costs from measuring the right-of-use asset at the date of initial application; and
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

At inception of a contract, the Group and the Company assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group and the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use assets is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's and the Company's incremental borrowing rate. Generally, the Group and the Company use its incremental borrowing rate as the discount rate.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's and the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Group and the Company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Group and the Company have elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets, including IT equipment. The Group and the Company recognise the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(i) Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and estimated costs necessary to make the sale.

(i) Land held for property development

Land held for property development consists of land or such portions thereof on which no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

Cost of land held for property development is measured based on specific identification basis.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. Significant accounting policies (cont'd.)

(i) Inventories (cont'd.)

(ii) Property development in progress and completed development units

Property development in progress and completed development units comprise costs associated with the acquisition of land and all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities, including interest expense incurred before available for sale during the period of active development.

Cost of completed development units are measured based on specific identification basis.

(iii) Consumables

Cost of consumables is measured based on the first-in first-out basis and includes expenditure incurred in acquiring the inventories and other costs incurred in bringing them to their existing location and condition.

(j) Contract asset/Contract liability

A contract asset is recognised when the Group's or the Company's right to consideration is conditional on something other than the passage of time. A contract asset is subject to impairment (see Note 2(m)(i)).

A contract liability is stated at cost and represents the obligation of the Group or the Company to transfer goods or services to a customer for which consideration has been received (or the amount is due) from the customers.

(k) Contract cost

(i) Incremental cost of obtaining a contract

The Group or the Company recognises incremental costs of obtaining contracts when the Group or the Company expects to recover these costs.

Costs of obtaining a contract initially measured at cost and amortised on a systematic basis that is consistent with the pattern of revenue recognition to which the asset relates.

(ii) Cost to fulfil a contract

The Group or the Company recognises a contract cost that relate directly to a contract or to an anticipated contract as an asset when the cost generates or enhances resources of the Group or the Company, will be used in satisfying performance obligations in the future and it is expected to be recovered. All other costs to fulfill contracts are expensed to profit or loss.

An impairment loss is recognised in the profit and loss when the carrying amount of the contract cost exceeds the expected revenue less expected cost that will be incurred. Where the impairment condition no longer exists or has improved, the impairment loss is reversed to the extent that the carrying amount of the contract cost does not exceed the amount that would have been recognised had there been no impairment loss recognised previously.

(l) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value with original maturities of three months or less, and are used by the Group and the Company in the management of their short-term commitments. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of pledged deposits and deposit held in trust.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. Significant accounting policies (cont'd.)

(m) Impairment

(i) Financial assets

Unless specifically disclosed below, the Group and the Company generally applied the following accounting policies retrospectively. Nevertheless, as permitted by MFRS1, *First-time Adoption of Malaysia Financial Reporting Standards*, the Group and the Company elected not to restate the comparatives.

Current financial year

The Group and the Company recognise loss allowances for expected credit losses on financial assets measured at amortised cost, debt investments measured at fair value through other comprehensive income, contract assets and lease receivables. Expected credit losses are a probability-weighted estimate of credit losses.

The Group and the Company measure loss allowances at an amount equal to lifetime expected credit loss, except for debt securities that are determined to have low credit risk at the reporting date, cash and bank balance and other debt securities for which credit risk has not increased significantly since initial recognition, which are measured at 12-month expected credit loss. Loss allowances for trade receivables, contract assets and lease receivables are always measured at an amount equal to lifetime expected credit loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit loss, the Group and the Company consider reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information, where available.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of the asset, while 12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within the 12 months after the reporting date. The maximum period considered when estimating expected credit losses is the maximum contractual period over which the Group and the Company are exposed to credit risk.

The Group and the Company estimate the expected credit losses on trade receivables using a provision matrix with reference to historical credit loss experience.

An impairment loss in respect of financial assets measured at amortised cost is recognised in profit or loss and the carrying amount of the asset is reduced through the use of an allowance account.

An impairment loss in respect of debt investments measured at fair value through other comprehensive income is recognised in profit or loss and the allowance account is recognised in other comprehensive income.

At each reporting date, the Group and the Company assess whether financial assets carried at amortised cost and debt securities at fair value through other comprehensive income are credit-impaired. A financial asset is credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

The gross carrying amount of a financial asset is written off (either partially or full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's or the Company's procedures for recovery amounts due.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. Significant accounting policies (cont'd.)

(m) Impairment (cont'd.)

(i) Financial assets (cont'd.)

Previous financial year

All financial assets (except for financial assets categorised as fair value through profit or loss, investments in subsidiaries and associates and joint venture) were assessed at each reporting date whether there was any objective evidence of impairment as a result of one or more events having an impact on the estimated future cash flows of the asset. Losses expected as a result of future events, no matter how likely, were not recognised. For an investment in an equity instrument, a significant or prolonged decline in the fair value below its cost was an objective evidence of impairment. If any such objective evidence exists, then the impairment loss of the financial asset was estimated.

An impairment loss in respect of loans and receivables and held-to-maturity investments was recognised in profit or loss and was measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate. The carrying amount of the asset was reduced through the use of an allowance account.

An impairment loss in respect of available-for-sale financial assets was recognised in profit or loss and was measured as the difference between the asset's acquisition cost (net of any principal repayment and amortisation) and the asset's current fair value, less any impairment loss previously recognised. Where a decline in the fair value of an available-for-sale financial asset had been recognised in the other comprehensive income, the cumulative loss in other comprehensive income was reclassified from equity to profit or loss.

An impairment loss in respect of unquoted equity instrument that was carried at cost was recognised in profit or loss and was measured as the difference between the financial asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset.

Impairment losses recognised in profit or loss for an investment in an equity instrument classified as available for sale was not reversed through profit or loss.

If, in a subsequent period, the fair value of a debt instrument increases and the increase could be objectively related to an event occurring after impairment loss was recognised in profit or loss, the impairment loss was reversed, to the extent that the asset's carrying amount did not exceed what the carrying amount would have been had the impairment not been recognised at the date the impairment was reversed. The amount of the reversal was recognised in profit or loss.

(ii) Other assets

The carrying amounts of other assets (except for inventories, contract assets, lease receivables and deferred tax asset) are reviewed at the end of each reporting period to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each period at the same time.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units. Subject to an operating segment ceiling test, for the purpose of goodwill impairment testing, cash-generating units to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes. The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to a cash-generating unit or a group of cash-generating units that are expected to benefit from the synergies of the combination.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. Significant accounting policies (cont'd.)

(m) Impairment (cont'd.)

(ii) Other assets (cont'd.)

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of cash-generating units) and then to reduce the carrying amounts of the other assets in the cash-generating unit (groups of cash-generating units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

(n) Equity instruments

Instruments classified as equity are measured at cost on initial recognition and are not remeasured subsequently.

(i) Issue expenses

Costs directly attributable to the issue of instruments classified as equity are recognised as a deduction from equity.

(ii) Ordinary shares

Ordinary shares are classified as equity.

(o) Compound financial instruments

A compound financial instrument is a non-derivative financial instrument that contains both a liability and an equity component.

The liability component of a compound financial instrument is recognised initially at fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequent to initial recognition.

Interest and losses and gains relating to the financial liability are recognised in profit or loss. On conversion, the financial liability is reclassified to equity; no gain or loss is recognised on conversion.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. Significant accounting policies (cont'd.)

(p) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined contribution plans

The Group participates in the national pension schemes as defined by the laws of the countries in which it has operations. The Group makes contributions to the Employees' Provident Fund in Malaysia, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the year in which the related service is performed.

(iii) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring.

(q) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(r) Revenue and other income

(i) Contract with customers

Revenue from contract with customers is measured based on the consideration specified in a contract with a customer in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The Group or the Company recognises revenue when (or as) it transfers control over a product or service to customer. An asset is transferred when (or as) the customer obtains control of the asset. Depending on the terms of the contract, control of the assets may be transferred over time or at a point in time.

The Group or the Company transfers control of a good or service at a point in time unless one of the following overtime criteria is met:

- (a) the customer simultaneously received and consumes the benefits provided as the Group or the Company performs;
- (b) the Group's or the Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
- (c) the Group's or the Company's performance does not create an asset with an alternative use and the Group or the Company has an enforceable right to payment for performance completed to date.

If control of the assets is transferred over time, revenue is recognised over the period of the contract by reference to the progress towards the satisfaction of each of those performance obligations. Otherwise, revenue is recognised at a point in time when the customer obtain control over the goods or service.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. Significant accounting policies (cont'd.)

(r) Revenue and other income (cont'd.)

(i) Contract with customers (cont'd.)

Revenue arising from sale of properties is arising from sale of residential properties in Malaysia. For sale of incomplete units, revenue is recognised overtime, which is determined by the proportion that property development costs incurred for work performed to date compared to the estimated total property development costs.

For sale of completed unit, revenue is recognised at a point in time, which normally is upon the delivery of vacant possession or upon the Group allowing the customer to raise financing using the property.

Significant judgement is required in determining the revenue to be recognised overtime, which is highly dependent on the estimated total property development costs. In making the judgement, the Group evaluates the estimates based upon past experience and by relying on the work of architects and quantitative surveyors.

Revenue arising from management fees is recognised over time throughout the service rendered.

Revenue arising from education fees is recognised over time throughout the academic period.

(ii) Dividend income

Dividend income is recognised in profit or loss on the date that the Group's or the Company's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

(iii) Interest income

Interest income is recognised as it accrues using the effective interest method in profit or loss except for interest income arising from temporary investment of borrowings taken specifically for the purpose of obtaining a qualifying asset which is accounted for in accordance with the accounting policy on borrowing costs.

(iv) Leasing income

Leasing income is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of lease income over the lease term on a straight-line basis.

(s) Borrowing costs

The Group and the Company capitalise borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing costs are expense to profit or loss in the period in which they are incurred.

A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are those borrowing costs that would have been avoided if the expenditure on the qualifying asset had not been made.

Where funds are borrowed specifically for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred less any investment income on the temporary investment of those borrowings.

Where the Group or the Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the Group or the Company determines the amount of borrowing costs (excluding borrowings made specifically for the purpose of obtaining a qualifying asset until substantially all the activities necessary to prepare that asset for its intended use or sale are complete) eligible for capitalisation by applying a capitalisation rate to the expenditures on that asset.

The amount of borrowing costs that the Group or the Company capitalises during a period does not exceed the amount of borrowing costs it incurred during that period.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. Significant accounting policies (cont'd.)

(t) Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination or items recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting year, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities in the statement of financial position and their tax bases. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the end of the reporting year.

The amount of deferred tax recognised is measured based on the expected manner of realisation or settlement of the carrying amount of the assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are not discounted.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at the end of each reporting year and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(u) Earnings per ordinary share

The Group presents basic and diluted earnings per share data for its ordinary shares ("EPS").

Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the financial year, adjusted for own shares held.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding adjusted for own shares held for the effects of all dilutive potential ordinary shares, which comprise warrants and convertible notes.

(v) Operating segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Operating segment results are reviewed regularly by the chief operating decision maker, which in this case is the Managing Director together with the Board of Directors of the Group, to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

2. Significant accounting policies (cont'd.)

(w) Contingencies

(i) Contingent liabilities

Where it is not probable that an outflow of economic benefit will be required, or the amount cannot be estimated reliably, the obligation is not recognised in the statements of financial position and is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(ii) Contingent assets

When an inflow of economic benefit of an asset is probable where it arises from past events and where existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity, the asset is not recognised in the statements of financial position but is being disclosed as a contingent asset. When the inflow of economic benefit is virtually certain, then the related asset is recognised.

(x) Fair value measurement

Fair value of an asset or a liability, except for share-based payment and lease transactions, is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market or in the absence of a principal market, in the most advantageous market.

For non-financial asset, the fair value measurement takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the input used in the valuation technique as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for the asset or liability.

The Group recognises transfers between levels of the fair value hierarchy as of the date of the event or change in circumstances that caused the transfers.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. Property, plant and equipment

Group	Freehold land RM'000	Buildings RM'000	Other plant and equipment RM'000	Sales gallery RM'000	Assets under construction RM'000	Bearer plants RM'000	Total RM'000
Cost							
At 1 April 2018	51,817	44,912	18,687	3,849	9,441	7,104	135,810
Additions	-	-	1,200	-	18,921	-	20,121
Disposals	-	-	(643)	-	-	-	(643)
Written off	-	-	(99)	(3,849)	-	-	(3,948)
Reclassification	(1,780)	-	-	14,292	(14,292)	-	(1,780)
At 31 March 2019	50,037	44,912	19,145	14,292	14,070	7,104	149,560
Accumulated depreciation							
At 1 April 2018	-	20,323	14,293	1,538	-	682	36,836
Charge for the year	-	1,020	1,156	2,297	-	271	4,744
Disposals	-	-	(643)	-	-	-	(643)
Written off	-	-	(91)	(1,539)	-	-	(1,630)
At 31 March 2019	-	21,343	14,715	2,296	-	953	39,307
Accumulated impairment							
At 1 April 2018	56	7,691	-	-	-	-	7,747
Charge for the year	-	-	73	-	-	-	73
Write back	(56)	(7,691)	-	-	-	-	(7,747)
At 31 March 2019	-	-	73	-	-	-	73
Carrying amounts							
At 1 April 2018	51,761	16,898	4,394	2,311	9,441	6,422	91,227
At 31 March 2019	50,037	23,569	4,357	11,996	14,070	6,151	110,180

The Group has reassessed and estimated the recoverable amount of 8trium carpark which comprises of a building on a piece of freehold land located at Bandar Sri Damansara to be higher than its carrying amount which resulted in the impairment loss of freehold land and building of RM56,000 and RM7,691,000 respectively to be written back.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. Property, plant and equipment (cont'd.)

Group	Freehold land RM'000	Buildings RM'000	Other plant and equipment RM'000	Sales gallery RM'000	Assets under construction RM'000	Bearer plants RM'000	Total RM'000
Cost							
At 1 April 2017	51,967	44,912	19,665	3,765	8,092	6,978	135,379
Additions	-	-	464	84	1,349	126	2,023
Disposals	(150)	-	(99)	-	-	-	(249)
Written off	-	-	(1,343)	-	-	-	(1,343)
At 31 March 2018	51,817	44,912	18,687	3,849	9,441	7,104	135,810
Accumulated depreciation							
At 1 April 2017	-	19,797	14,579	752	-	411	35,539
Charge for the year	-	526	1,156	786	-	271	2,739
Disposals	-	-	(99)	-	-	-	(99)
Written off	-	-	(1,343)	-	-	-	(1,343)
At 31 March 2018	-	20,323	14,293	1,538	-	682	36,836
Accumulated impairment							
At 1 April 2017/31 March 2018	56	7,691	-	-	-	-	7,747
Carrying amounts							
At 1 April 2017	51,911	17,424	5,086	3,013	8,092	6,567	92,093
At 31 March 2018	51,761	16,898	4,394	2,311	9,441	6,422	91,227

Company	Motor vehicles RM'000	Furniture, fittings and equipment RM'000	Total RM'000
Cost			
At 1 April 2018	873	1,034	1,907
Additions	475	2	477
Disposal	(623)	-	(623)
Written off	-	(21)	(21)
At 31 March 2019	725	1,015	1,740
Accumulated depreciation			
At 1 April 2018	857	983	1,840
Charge for the year	88	16	104
Disposals	(623)	-	(623)
Written off	-	(17)	(17)
At 31 March 2019	322	982	1,304
Carrying amounts			
At 1 April 2018	16	51	67
At 31 March 2019	403	33	436

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

3. Property, plant and equipment (cont'd.)

Company	Motor vehicles RM'000	Furniture, fittings and equipment RM'000	Total RM'000
Cost			
At 1 April 2017	873	1,030	1,903
Additions	-	7	7
Disposal	-	(3)	(3)
At 31 March 2018	873	1,034	1,907
Accumulated depreciation			
At 1 April 2017	751	962	1,713
Charge for the year	106	24	130
Disposals	-	(3)	(3)
At 31 March 2018	857	983	1,840
Carrying amounts			
At 1 April 2017	122	68	190
At 31 March 2018	16	51	67

4. Investment properties

	Group			Company		
	Freehold land RM'000	Buildings RM'000	Total RM'000	Freehold land RM'000	Buildings RM'000	Total RM'000
Cost						
At 1 April 2017	12,055	79,587	91,642	11,988	20,720	32,708
Additions	-	118	118	-	-	-
At 31 March 2018	12,055	79,705	91,760	11,988	20,720	32,708
Additions	-	66	66	-	-	-
At 31 March 2019	12,055	79,771	91,826	11,988	20,720	32,708
Accumulated depreciation						
At 1 April 2017	-	3,813	3,813	-	8,223	8,223
Charge for the year	-	1,594	1,594	-	414	414
At 31 March 2018	-	5,407	5,407	-	8,637	8,637
Charge for the year	-	1,608	1,608	-	415	415
At 31 March 2019	-	7,015	7,015	-	9,052	9,052
Net Carrying Amount						
At 1 April 2017	12,055	75,774	87,829	11,988	12,497	24,485
At 31 March 2018	12,055	74,298	86,353	11,988	12,083	24,071
At 31 March 2019	12,055	72,756	84,811	11,988	11,668	23,656

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

4. Investment properties (cont'd.)

(a) The fair value of investment properties of the Group and of the Company are as follows:

	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Group			
Land	22,381	26,575	35,884
Building	143,742	142,469	146,185
	166,123	169,044	182,069
Company			
Land	22,381	26,575	35,884
Building	54,364	54,570	54,815
	76,745	81,145	90,699

- (i) There were no transfers between Level 1, Level 2 and Level 3 fair value measurements during the financial years ended 31 March 2019 and 31 March 2018.
- (ii) The fair value of the investment properties of the Group and of the Company are categorised at Level 3. The land and building are valued by reference to transactions of similar land surrounding with appropriate adjustments made for differences in the relevant characteristics of the land. Certain buildings valuation of the Group are based on valuation performed by certified external valuer based on market comparison approach.

Sales price of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property sizes. The most significant unobservable input into this valuation approach is price per square foot. The estimated fair value would increase/(decrease) if the price per square foot is higher/(lower).

5. Inventories

Group	Note	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Non-current				
Land held for property development	(a)	534,193	470,537	157,640
Current				
Completed development units		37,299	39,646	43,417
Finished goods, raw materials and consumables		55	86	66
Property development cost	(b)	265,199	199,849	194,183
		302,553	239,581	237,666
Total inventories		836,746	710,118	395,306

(a) Included in land held for property development during the financial year is:

	31.3.2019 RM'000	Group 31.3.2018 RM'000
Interest expenses capitalised	6,196	6,364

The capitalisation rate is ranging from 4.27% to 5.47% (31.03.2018: 5.47%, 31.03.2017: 5.47% to 6.65%).

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5. Inventories (cont'd.)

(b) Included in property development cost incurred during the financial year is:

	31.3.2019 RM'000	Group 31.3.2018 RM'000
Interest expenses capitalised	3,997	4,090

The capitalisation rate is ranging from 4.27% to 5.47% (31.03.2018: 5.47%, 1.4.2017: 5.47% to 6.65%).

The land together with development costs with a carrying value of RM480,722,000 (31.3.2018: RM406,251,000; 1.4.2017: RM240,184,000) are pledged as securities for bank borrowings as disclosed in Note 17.

6. Investments in subsidiaries

Company	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Cost of investment	1,028,687	873,662	345,738
Less: Accumulated impairment losses	(96,729)	(96,729)	(96,729)
	931,958	776,933	249,009

Details of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest and voting interest		
			31.3.2019 %	31.3.2018 %	1.4.2017 %
Bestform Limited*	Isle of Man	Investment holding	100.00	100.00	100.00
Bright Term Sdn. Bhd.	Malaysia	Property development	100.00	100.00	100.00
Clarity Crest Sdn. Bhd.	Malaysia	Cultivation of rubber and oil palm	100.00	100.00	100.00
Forward Esteem Sdn. Bhd.	Malaysia	Property development	100.00	100.00	-
L&G Resources (1994), Inc.*	USA	Investment holding	100.00	100.00	100.00
Land & General Properties Sdn. Bhd.	Malaysia	Property development	100.00	100.00	100.00
Land & General Australia (Holdings) Pty Ltd*	Australia	Investment holding	100.00	100.00	100.00
Lang Education Holdings Sdn. Bhd.	Malaysia	Investment holding	100.00	100.00	100.00
Lang Furniture (Pahang) Sdn. Bhd.	Malaysia	Dormant	100.00	100.00	100.00
Maple Domain Sdn. Bhd.	Malaysia	Dormant	100.00	100.00	100.00
Pillar Quest Sdn. Bhd.	Malaysia	Investment holding	100.00	100.00	100.00
Primal Milestone Sdn. Bhd.	Malaysia	Investment holding	100.00	100.00	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

6. Investments in subsidiaries (cont'd.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest and voting interest		
			31.3.2019 %	31.3.2018 %	1.4.2017 %
Quantum Bonus Sdn. Bhd.	Malaysia	Investment holding	100.00	100.00	-
Soho Prestige Sdn. Bhd.	Malaysia	Property development	100.00	-	-
Sri Damansara Sdn. Bhd.	Malaysia	Property development	100.00	100.00	100.00
Syarikat Trimal Sdn. Bhd.	Malaysia	Property development	100.00	100.00	100.00
Synergy Score Sdn. Bhd.	Malaysia	Investment holding	100.00	100.00	100.00
Triump Bliss Sdn. Bhd.	Malaysia	Property development	100.00	100.00	-
Victory Vista Sdn. Bhd.	Malaysia	Investment holding	100.00	100.00	100.00
Winlink Pte Ltd*	Singapore	Dormant	100.00	100.00	100.00
Subsidiaries of Land & General Australia (Holdings) Pty Ltd:					
Lang Melbourne Pty Ltd*	Australia	Dormant	100.00	100.00	100.00
World Trade Centre Holdings Pty Ltd*	Australia	Dormant	100.00	100.00	100.00
Flinders Wharf Pty Ltd*	Australia	Dormant	100.00	100.00	100.00
Flinders Wharf One Pty Ltd*	Australia	Dormant	100.00	100.00	100.00
Flinders Wharf Two Pty Ltd*	Australia	Dormant	100.00	100.00	100.00
PLR Mayfields Pty Ltd*	Australia	Dormant	100.00	100.00	100.00
Subsidiary of L&G Resources (1994), Inc.:					
L&G Display Technologies, Inc.*	USA	Dormant	100.00	100.00	100.00
Subsidiary of Lang Education Holdings Sdn. Bhd.:					
Lang Education Sdn. Bhd.	Malaysia	Education services	100.00	100.00	100.00
Subsidiary of Pillar Quest Sdn. Bhd.					
Xtreme Meridian Sdn. Bhd.	Malaysia	Property development	50.01	50.01	50.01
Subsidiary of Sri Damansara Sdn. Bhd.:					
Sri Damansara Club Bhd.	Malaysia	Management of club activities	100.00	100.00	100.00

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

6. Investments in subsidiaries (cont'd.)

Details of the subsidiaries are as follows: (cont'd.)

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest and voting interest		
			31.3.2019 %	31.3.2018 %	1.4.2017 %
Subsidiaries of Syarikat Trimal Sdn. Bhd.:					
Mentari Unggul Sdn. Bhd.	Malaysia	Dormant	100.00	100.00	100.00
Tinvein Nominees Sdn. Bhd.	Malaysia	Dormant	100.00	100.00	100.00
Subsidiary of Synergy Score Sdn. Bhd.:					
Elite Forward Sdn. Bhd.	Malaysia	Property development	50.01	50.01	50.01
Subsidiary of Victory Vista Sdn. Bhd.:					
Pembinaan Jaya Megah Sdn. Bhd.	Malaysia	Property development	100.00	100.00	100.00
Subsidiary of World Trade Centre Holdings Pty Ltd:					
Lang Australia Pty Ltd*	Australia	Dormant	100.00	100.00	100.00

* Audited by a firm of auditors other than KPMG PLT.

6.1 Asset acquisition of subsidiaries

The Group completed the acquisitions of the entire equity interest in Soho Prestige Sdn Bhd for a total cash consideration of RM37,246,000 on 31 October 2018, which can be analysed as follows:

	Total RM'000
Land held for development	37,851
Other net liabilities	(605)
Cash consideration	37,246
Overdraft acquired	9,986
Net cash outflow	47,232

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

6. Investments in subsidiaries (cont'd.)

6.2 Asset acquisition of subsidiaries in prior year

In the previous year, the Group acquired the following companies for a total cash consideration of RM268,485,000:

- (i) Primal Milestone Sdn. Bhd. (PMSB);
- (ii) Quatum Bonus Sdn. Bhd. (QBSB);
- (iii) Forward Esteem Sdn. Bhd. (FESB); and
- (iv) Triumph Bliss Sdn. Bhd. (TBSB)

The acquisition of the subsidiaries can be analysed as follows:

	PMSB & QBSB RM'000	FESB RM'000	TBSB RM'000	Total RM'000
Investment in associates	152,342	-	-	152,342
Land held for development	-	70,324	233,686	304,010
Contingent consideration	(14,620)	-	-	(14,620)
Other net liabilities	(3,284)	(24,599)	(115,532)	(143,415)
Cash consideration	134,438	45,725	118,154	298,317
Less:				
Deposits paid for acquisition in year 2017				(29,832)
Net cash outflow				<u>268,485</u>

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

6. Investments in subsidiaries (cont'd.)

6.3 Non-controlling interests in subsidiaries

The following table summarises the financial information of the Group's material non-controlling interests ("NCI") in Elite Forward Sdn. Bhd. ("EFSB") and Xtreme Meridian Sdn. Bhd. ("XMSB"):

	Elite Forward Sdn. Bhd.		Xtreme Meridian Sdn. Bhd.		Total	
	31.3.2019	31.3.2018	31.3.2019	31.3.2018	31.3.2019	31.3.2018
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
NCI percentage of ownership interest and voting interest	49.99%	49.99%	49.99%	49.99%	49.99%	49.99%
Carrying amount of NCI	14,776	14,483	58,922	6,933	73,698	21,416
Profit allocated to NCI	293	484	6,990	1,497	7,283	1,981
						N/A
Non-current assets	67	78	4,988	2,780	5,055	2,858
Current assets	31,009	30,265	257,031	224,160	288,040	254,425
Non-current liabilities	-	-	(74,711)	(158,551)	(74,711)	(158,551)
Current liabilities	(1,518)	(1,371)	(69,441)	(54,520)	(70,959)	(55,891)
Net assets	29,558	28,972	117,867	13,869	147,425	42,841
						38,878

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

6. Investments in subsidiaries (cont'd.)

6.3 Non-controlling interests in subsidiaries (cont'd.)

	Elite Forward Sdn. Bhd.		Xtreme Meridian Sdn. Bhd.		Total	
	2019	2018	2019	2018	2019	2018
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Year ended 31 March						
Revenue	4,731	5,413	83,247	45,334	87,978	50,747
Profit for the year	757	969	13,983	2,993	14,740	3,962
Cash flows from/(used in) operating activities	5,353	(10,957)	(1,173)	(5,234)	4,180	(16,191)
Cash flows (used in)/from investing activities	(1)	199	(3,661)	212	(3,662)	411
Cash flows from/(used in) financing activities	-	-	452	(1,011)	452	(1,011)
Net increase/(decrease) in cash and cash equivalents	5,352	(10,758)	(4,382)	(6,033)	970	(16,791)

Other information

No dividend was paid to NCI in the current and last financial year.

6.4 Loans or advances to subsidiaries

Included in cost of investment in the current year are loans or advances to subsidiaries with nominal value of RM50,439,000. These loans or advances are classified as cost of investment in subsidiaries. The loans or advances do not have fixed repayment terms and after considering the capital structure of the subsidiaries, the management is of the view that, in substance, the loans and advances provided an exposure similar to an investment in ordinary shares of the subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

7. Investments in associates

	Note	Group			Company		
		31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Cost of investment	7.1	152,877	152,877	535	500	500	500
Share of post-acquisition profit/(loss)		166	(2,361)	940	-	-	-
		153,043	150,516	1,475	500	500	500
Less: Accumulated impairment losses		(1,475)	(1,475)	(1,475)	(500)	(500)	(500)
		151,568	149,041	-	-	-	-

7.1 The cost of investment includes loans granted to the associate of RM136,950,000 with nominal value of RM 196,365,000 (2018: RM 196,365,000; 2017: Nil) as the loans provide rights in the associate's profits. The Group is exposed to changes in the fair value of the associate's net assets and hence the associate's losses. Furthermore, the shareholders are required to provide financing to the associate in proportion to their respective shareholdings in the associate. This demonstrates that the loan granted links directly to ownership.

Details of the associates, all of which are incorporated in Malaysia and the Company's interests there in, are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest and voting interest		
			31.3.2019 %	31.3.2018 %	1.4.2017 %
C.I. Damansara Quarry Sdn. Bhd.*	Malaysia	Dormant	35.00	35.00	35.00
Projass Langbuilt Sdn. Bhd.*	Malaysia	Dormant	50.00	50.00	50.00
FW Financing Solutions Pty Ltd*	Australia	Dormant	50.00	50.00	50.00
Held through Primal Milestone Sdn. Bhd. and Quantum Bonus Sdn. Bhd.					
Country Garden Properties (Malaysia) Sdn. Bhd. ("CGPM")	Malaysia	Property development	45.00	45.00	-

* Audited by a firm of auditors other than KPMG PLT.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

7. Investments in associates (cont'd.)

The following summarises the information of the Group's material associate:

Group	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Country Garden Properties (Malaysia) Sdn. Bhd.			
Non-current assets	211,571	207,635	-
Current assets	345,787	359,380	-
Non-current liabilities	(73,148)	(74,148)	-
Current liabilities	(147,391)	(161,664)	-
Net assets	336,819	331,203	-
	2019 RM'000	2018 RM'000	
Year ended 31 March			
Revenue	91,814	133,897	
Depreciation and amortisation	(3,490)	(3,859)	
Interest income	963	838	
Interest expense	(7,516)	(10,549)	
Income tax expense	(7,204)	(1,741)	
Profit/(Loss) for the year	6,787	(11,154)	
Total comprehensive income/(loss)	6,787	(11,154)	
Reconciliation of net assets to carrying amount as at 31 March			
Group's share of net assets	151,568	149,041	-
Group's share of results for the year ended 31 March			
Group's share of total comprehensive income/(loss)	2,527	(3,301)	

Other information

The Group invests in CGPM because it is operating in property development industry, which is the Group's main operating segment. No dividend was paid to NCI in the current and last financial year.

8. Investment in a joint venture

Details of the joint venture are as follows:

Name of subsidiaries	Country of incorporation	Principal activities	Effective ownership interest and voting interest		
			31.3.2019 %	31.3.2018 %	1.4.2017 %
Hidden Valley Australia Pty Ltd	Australia	Property development	50.00	50.00	50.00

9. Deferred tax assets/(liabilities)

Deferred tax assets and liabilities are attributable to the following:

	Assets			Liabilities			Net		
Group	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Trade and other payables	4,078	5,950	19,297	-	-	-	4,078	5,950	19,297
ICULS	-	7	29	-	-	-	-	7	29
Property, plant and equipment	10,053	-	-	(2,016)	(1,565)	(1,381)	8,037	(1,565)	(1,381)
Inventory	-	-	-	(23,053)	(22,886)	(23,088)	(23,053)	(22,886)	(23,088)
Other items	2,497	2,797	4,149	(1,104)	(143)	-	1,393	2,654	4,149
Tax assets/(liabilities)	16,628	8,754	23,475	(26,173)	(24,594)	(24,469)	(9,545)	(15,840)	(994)
Set off of tax	(1,469)	(816)	(1,146)	1,469	816	1,146	-	-	-
Net tax assets/(liabilities)	15,159	7,938	22,329	(24,704)	(23,778)	(23,323)	(9,545)	(15,840)	(994)
Company									
ICULS	-	7	29	-	-	-	-	7	29

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

9. Deferred tax assets/(liabilities) (cont'd.)

Movement in temporary differences during the year

Group	At 1 April 2017 RM'000	Recognised in profit or loss RM'000	Recognised in equity RM'000	At 31 March 2018 RM'000	Recognised in profit or loss RM'000	At 31 March 2019 RM'000
Trade and other payables	19,297	(13,347)	-	5,950	(1,872)	4,078
ICULS	29	(17)	(5)	7	(7)	-
Property, plant and equipment	(1,381)	(184)	-	(1,565)	9,602	8,037
Inventory	(23,088)	202	-	(22,886)	(167)	(23,053)
Other items	4,149	(1,495)	-	2,654	(1,261)	1,393
Net tax (liabilities)/assets	(994)	(14,841)	(5)	(15,840)	6,295	(9,545)
Company						
ICULS	29	(17)	(5)	7	(7)	-

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	← 31.3.2019 RM'000	Group 31.3.2018 RM'000	1.4.2017 RM'000	← 31.3.2019 RM'000	Company 31.3.2018 RM'000	1.4.2017 RM'000
Unutilised tax losses	9,279	41,222	42,271	-	-	-
Unabsorbed capital allowances	-	6,299	6,299	-	-	-
Others	288	3,259	3,035	-	-	-
	9,567	50,780	51,605	-	-	-

Deferred tax assets are not recognised as it is not probable that sufficient taxable profits will be available in those subsidiaries in the foreseeable future.

Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon future events that are inherently uncertain. Judgement is also required about application of income tax legislation. Accordingly, the deferred tax assets recognised may be adjusted in subsequent periods as a result of changes in the accounting estimates.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

10. Trade and other receivables

Note	Group			Company		
	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Non-current						
Other receivables						
Amounts due from related parties:						
- Subsidiaries	10.1	-	-	-	45,016	204,148
- Joint venture	10.1	18,638	12,970	-	-	-
		18,638	12,970	-	45,016	204,148
Less: Allowance for impairment		(18,638)	(12,970)	-	-	-
		-	-	-	45,016	204,148
Current						
Trade receivables						
Third parties		9,259	12,242	-	-	-
Less: Allowance for impairment		(261)	(584)	-	-	-
		8,998	11,658	-	-	-
Current						
Other receivables						
Amounts due from related parties:						
- Subsidiaries	10.1	-	-	39,051	81,694	147,393
- Associates	10.1	1,145	1,145	1,119	1,119	1,119
		1,145	1,145	40,170	82,813	148,512
Less: Allowance for impairment		(1,145)	(1,145)	(40,170)	(40,223)	(76,259)
		-	-	-	42,590	72,253
Deposits	10.2	3,552	3,948	112	112	29,944
Sundry receivables		3,994	5,363	155	243	400
		7,546	9,311	267	355	30,344
Less: Allowance for impairment		(2,724)	(3,381)	(53)	(159)	(160)
		4,822	5,930	214	196	30,184
		13,820	17,588	214	42,786	102,437
Total trade and other receivables		13,820	17,588	214	87,802	306,585

10.1 Amounts due from subsidiaries and joint venture are unsecured and non-interest bearing. In the previous financial year, the amounts classified as non-current was remeasured at their amortised cost at discount rates of 4.55% to 5.35% (1.4.2017: 4.55% to 5.35%) over the period of repayments.

10.2 Included in the deposits of the Group as at 1 April 2017 was deposit paid of RM29,832,000 for the acquisition of several subsidiaries.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

11. Contract assets/(Contract liabilities)

Group	Note	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Contract assets				
Contract assets from property development	11.1	58,250	24,746	1,623
Other contract assets	11.2	21,040	21,040	39,902
		79,290	45,786	41,525
Contract liabilities				
Contract liabilities from property development	11.1	(110)	(14,401)	(1,678)
Other contract liabilities		(4,486)	(3,934)	(4,582)
		(4,596)	(18,335)	(6,260)

11.1 Contract assets/(liabilities) from property development

The Group issue progress billings to purchasers when the billing milestones are attained and recognised revenue when the performance obligation are satisfied.

The Group's contract assets and contract liabilities relating to the sale of properties as of each reporting period can be summarised as follows:

	31.3.2019 RM'000	Group 31.3.2018 RM'000	1.4.2017 RM'000
Contract Assets	58,250	24,746	1,623
Contract Liabilities	(110)	(14,401)	(1,678)
	58,140	10,345	(55)
At 1 April	10,345	(55)	
Net revenue recognised during the year	101,953	45,188	
Net progress billings during the year	(54,158)	(34,788)	
At 31 March	58,140	10,345	

11.2 The stakeholder sums are receivable upon the transfer of strata titles to respective purchasers.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

11. Contract assets/(Contract liabilities) (cont'd.)

11.2 Other contract assets (cont'd.)

Reconciliation of movement of stakeholder sums:

	31.3.2019 RM'000	Group 31.3.2018 RM'000
At 1 April	21,040	39,902
Being amount released during the year	-	(18,862)
At 31 March	21,040	21,040

11.3 Other contract liabilities

	31.3.2019 RM'000	Group 31.3.2018 RM'000
At 1 April	(3,934)	(4,582)
Revenue recognised during the year	15,352	13,578
Total billings during the year	(15,904)	(12,930)
At 31 March	(4,486)	(3,934)

Other contract liabilities were recognised for the education fees where invoices were issued in advance and revenue is recognised over time.

12. Contract costs

Group	Note	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Costs to fulfil contracts with customers	12.1	12,671	24,113	15,140
Costs to obtain contracts with customers	12.2	4,547	7,078	5,870
		17,218	31,191	21,010

12.1 The land costs and development costs that are attribute to the sold units are capitalised as contract costs during the financial year. They are expected to be recoverable and are expensed to the profit or loss following the progress of revenue recognition.

12.2 The sales commission fees that are attribute to the sold units are capitalised as contract costs during the financial year and amortised to the profit or loss following the progress of revenue recognition.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

13. Deposit, cash and bank balances

		Group			Company		
	Note	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Cash on hand and at banks	13.1	33,230	114,285	15,209	11,167	93,445	590
Deposits with financial institutions	13.2	185,682	271,137	375,210	3,539	3,275	33,042
		218,912	385,422	390,419	14,706	96,720	33,632

13.1 Included in cash at banks of the Group were amounts of RM13,510,000 (31.3.2018: RM11,815,000; 1.4.2017: RM7,771,000) held under the Housing Development Accounts ("HDA Account") pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 (Act 118) and are therefore restricted from use in other operations.

13.2 Included in deposits with financial institutions of the Group were:

- amounts of RM13,762,000 (31.3.2018: RM8,014,000; 1.4.2017: RM7,780,000) pledged to banks as securities deposits for bank guarantees;
- amounts of RM924,000 (31.3.2018: RM987,000; 1.4.2017: RM1,015,000) held under a trust account pursuant to a Trust Deed dated 11 September 1994 in relation to a membership scheme of a subsidiary, Sri Damansara Club Berhad. The application of the monies is governed by the Trust Deed Agreement; and
- amounts of RM2,496,000 (31.3.2018: RM2,334,000; 1.4.2017: RM2,180,000) held under sinking funds maintained by a subsidiary, Sri Damansara Club Berhad, for the purpose of repair and maintenance of properties.

Included in deposits with financial institutions of the Company were amounts of RM76,000 (31.3.2018: RM76,000; 1.4.2017: RM73,000) pledged to bank as security deposit for bank guarantee.

For the purpose of the statements of cash flows, cash and cash equivalents comprise the following as at the reporting date:

		Group			Company		
	Note	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Deposits, cash and bank balances		218,912	385,422	390,419	14,706	96,720	33,632
Less:							
- Deposits pledged as security for bank guarantee facility		(15,265)	(8,014)	(7,780)	(76)	(76)	(73)
- Deposit held in trust		(1,747)	(33)	(32)	(33)	(33)	(32)
- Deposits with period more than 3 months		-	(35,276)	(185,932)	-	(1,488)	(31,065)
Bank overdraft	17	201,900	342,099	196,675	14,597	95,123	2,462
		-	-	(14,363)	-	-	-
Total cash and cash equivalents		201,900	342,099	182,312	14,597	95,123	2,462

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

14. Share capital

	Number of shares 31.3.2019 '000	Group and Company Amount 31.3.2019 RM'000	Number of shares 31.3.2018 '000	Amount 31.3.2018 RM'000
Issued and fully paid:				
At 1 April	2,930,294	651,664	1,122,585	272,032
Conversion of ICULS	42,841	8,568	8,854	1,872
Issuance of shares	-	-	1,798,855	377,760
At 31 March	2,973,135	660,232	2,930,294	651,664

The holders of ordinary share are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All the ordinary shares rank equally with regards to the Company's residual assets.

During the financial year, 42,840,836 new ordinary shares were issued pursuant to the conversion of the following:

- 2,480,100 units of ICULS were converted into 2,480,100 ordinary shares by way of cash option following the receipt of cash proceeds of RM173,607 at the initial conversion price of RM0.20 each;
- 9,016,500 units of ICULS were converted into 5,889,975 new ordinary shares by way of surrender option at the adjusted conversion price of RM0.20 each; and
- 53,031,958 units of ICULS matured on 24 September 2018 and were automatically converted into 34,470,761 new ordinary shares at the conversion price of RM0.20 each.

In the previous financial year, there was a rights issue of 1,798,854,888 new ordinary shares of the Company at an issue price of RM0.21 per Rights Shares on the basis of every (8) Rights Shares for (5) existing share pursuant to the Rights Issue.

15. Provisions

Group	Provision for costs to complete RM'000	Provision for financial obligation RM'000	Provision for club closure RM'000	Other provision RM'000	Total RM'000
At 1 April 2017	80,405	39,895	-	1,635	121,935
Additions	-	-	-	1,349	1,349
Utilisation	(11,300)	-	-	-	(11,300)
Write back of provision	(45,212)	-	-	-	(45,212)
Unwinding of discount	-	1,716	-	-	1,716
At 31 March 2018	23,893	41,611	-	2,984	68,488
Additions	-	-	2,992	-	2,992
Utilisation	(2,717)	-	-	-	(2,717)
Write back of provision	(4,735)	(20,805)	-	(1,284)	(26,824)
At 31 March 2019	16,441	20,806	2,992	1,700	41,939

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

15. Provisions (cont'd.)

Group	Provision for costs to complete RM'000	Provision for financial obligation RM'000	Provision for club closure RM'000	Other provision RM'000	Total RM'000
Presented in statement of financial position:					
2019					
Current	16,441	20,806	2,992	1,700	41,939
2018					
Non-current	-	41,611	-	-	41,611
Current	23,893	-	-	2,984	26,877
	23,893	41,611	-	2,984	68,488
2017					
Non-current	-	39,895	-	-	39,895
Current	80,405	-	-	1,635	82,040
	80,405	39,895	-	1,635	121,935

Company	Provision for financial obligation RM'000	Other provisions RM'000	Total RM'000
At 1 April 2017	39,895	351	40,246
Additions	-	1,349	1,349
Unwinding of discount	1,716	-	1,716
At 31 March 2018	41,611	1,700	43,311
Write back of provision	(20,805)	-	(20,805)
At 31 March 2019	20,806	1,700	22,506

Presented in statement of financial position:

2019			
Current	20,806	1,700	22,506
2018			
Non-current	41,611	-	41,611
Current	-	1,700	1,700
	41,611	1,700	43,311
2017			
Non-current	39,895	-	39,895
Current	-	351	351
	39,895	351	40,246

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

15. Provisions (cont'd.)

Provision for costs to complete

Provision for costs to complete comprises the present obligation for property development, infrastructure and land related cost relating to project undertaken.

Provision for financial obligation

This is the estimated financial liability, as assessed by the directors, arising from the liquidation of a subsidiary in the previous financial years. As of to date, the counter party has not made a claim against the Group or the Company. The provision is based on the probability weighted outcomes of amount owing by the former subsidiary to the financial institutions after due consultation with solicitors. The directors are of the view that further disclosures of information may prejudice the position of the Group or the Company.

Provision for club closure

Pursuant to the resolution passed at the Sri Damansara Club's Annual General Meeting, the Trustee of Sri Damansara Club Scheme had applied to the High Court of Kuala Lumpur to wind up the Scheme. The winding up order was granted by the High Court on 24 June 2019. Payment shall be made to the members in accordance with the Court Order. Accordingly, additional provisions were also made for costs relating to the club closure.

16. Trade and other payables

Note	Group			Company		
	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Non-current						
Other payables						
Amount due to company related to major shareholders of the Company	16.1	-	44,999	42,752	-	-
Sundry payables		154	2,106	1,942	-	-
		154	47,105	44,694	-	-
Current						
Trade payables						
Third parties	16.3	15,658	8,161	2,846	-	-
Retention sum payables		13,280	12,953	14,560	-	-
Accruals for construction costs		39,101	16,481	13,452	-	-
		68,039	37,595	30,858	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

16. Trade and other payables (cont'd.)

Note	Group			Company		
	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Current (cont'd.)						
Other payables						
Amount due to subsidiaries	16.4	-	-	14,068	17,349	25,712
Amount due to companies related to major shareholders of the Company		9	9	-	-	-
Sundry payables		9,477	10,155	1,732	1,525	1,600
Accruals		9,447	11,202	149	152	195
Contingent consideration	16.2	18,030	16,082	18,030	16,082	-
		36,963	37,448	33,979	35,108	27,507
		105,002	75,043	33,979	35,108	27,507
		105,156	122,148	33,979	35,108	27,507

16.1 Amount due to company related to major shareholders of the Company

Amount due to companies related to major shareholders of the Company were unsecured and non-interest bearing. In the previous financial year, the amounts classified as non-current was remeasured at their amortised cost at a discount rate of 5.10% to 5.35% (1.4.2017: 5.10% to 5.35%) over the period of repayments.

During the financial year, the subsidiary has entered into an agreement with the shareholders that the loan repayment is in accordance with the proportion of loan granted by each party accordingly, shall be at the discretion of the subsidiary and no interest shall be payable on the loan. The amounts are consequently classified as an equity instrument and the loan has been transferred to non-controlling interests.

16.2 Contingent consideration

A contingent consideration of RM14,620,000 was determined at the date of acquisition of Country Garden Properties (Malaysia) Sdn. Bhd. ("CGPM") and has been recognised as investment in associate with the corresponding liability of the same amount in the statement of financial position. The liability as at year end includes the unwinding of discount for the year of RM1,948,000 (31.3.2018: RM1,462,000). The nominal value of the contingent consideration is RM38,722,000.

The liability is payable when CGPM pays dividend or other distributions to its shareholders. The compensation was then discounted based on discount rate of 12% and over 10 years, being the project period as it is expected that CGPM will pay dividend or other distributions to its shareholders after the projects are completed.

Sensitivity analysis

A 1% decrease/increase in the discount rate at the reporting date would have increased/(decreased) the liability by the amounts shown below. This analysis assumes all variables remained constant and ignores any impact of forecasted transactions.

	2019 Discount rate 1%		2018 Discount rate 1%	
	Increase RM'000	Decrease RM'000	Increase RM'000	Decrease RM'000
Impact on profit or loss	(301)	299	(122)	121

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

16. Trade and other payables (cont'd.)

16.2 Contingent consideration (cont'd.)

Sensitivity analysis (cont'd.)

A 2 years decrease/increase in the projected period at the reporting date would have increased/(decreased) the liability by the amounts shown below. This analysis assumes all variables remained constant and ignores any impact of forecasted transactions.

	2019		2018	
	Projected period 2 years Increase RM'000	Decrease RM'000	Projected period 2 years Increase RM'000	Decrease RM'000
Impact on profit or loss	4,191	(3,746)	3,726	(3,360)

16.3 Trade payables

Trade payables are non-interest bearing and the normal trade credit term granted to the Group is 30 days (31.3.2018: 30 days; 1.4.2017: 30 days).

16.4 Amount due to subsidiaries

Amount due to subsidiaries are unsecured, non-interest bearing and are repayable upon demand.

17. Borrowings

		Group			Company		
	Note	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Non-current							
Bridging loan	17(a)	25,916	-	-	-	-	-
Term loan	17(b)	142,620	169,842	66,223	-	-	-
Other borrowings		295	-	21	255	-	21
		168,831	169,842	66,244	255	-	21
Current							
Bank overdraft		-	-	14,363	-	-	-
Term loan	17(b)	17,856	15,756	10,868	-	-	-
Revolving credit	17(c)	3,729	-	-	-	-	-
Other borrowings		109	21	85	71	21	85
		21,694	15,777	25,316	71	21	85
Total borrowings		190,525	185,619	91,560	326	21	106

The credit facilities granted to the subsidiaries are as follows:

(a) Bridging loan

The bridging loan of RM25,916,000 to partially finance the development of the leasehold land situated in Ampang is repayable over 84 monthly instalments of RM536,000 with an adjustment in the last monthly instalment commencing on the 37th month from the date of first drawdown or via redemption units whichever is earlier.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

17. Borrowings (cont'd.)

The credit facilities granted to the subsidiaries are as follows (cont'd.):

(b) Term loan

	Note	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Term loan 1	(i)	44,236	65,451	77,091
Term loan 2	(ii)	14,720	14,720	-
Term loan 3	(iii)	101,520	105,427	-
		160,476	185,598	77,091

Presented in statement of financial position:

	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Current	17,856	15,756	10,868
Non-current	142,620	169,842	66,223
	160,476	185,598	77,091

- (i) Term loan to partially finance the purchase of leasehold land situated in Ampang. The said loan is secured by:
- a first legal charge over the said commercial leasehold land;
 - a specific debenture over development land and project together with fixed and floating assets, intellectual properties, goodwill, revenues, undertakings and all other rights relating to the Astoria project;
 - a corporate guarantee from the Company based on proportionate shareholdings of 50.01%;
 - a proportionately personal guarantee from Tan Sri Dato' David Chiu of 49.99%; and
 - a proportionately corporate guarantee from Malaysia Land Properties Sdn. Bhd. of 49.99%.

In accordance with supplemental letter of offer dated 3 April 2014, the term loan is repayable over 83 equal monthly instalments of RM988,000 each and a final instalment of RM946,000. The repayment shall commence on 14 May 2017.

The said loan bears interest at bank's cost of funds minus 1.5% per annum.

- (ii) Term loan to partially finance the property development of the leasehold land situated in Ampang. The said loan is secured by:
- a first legal charge over the said property;
 - a specific debenture over the property and the development project together with fixed and floating assets, intellectual properties, goodwill, revenues, undertakings and all other rights relating to the Astoria project;
 - a corporate guarantee from the Company based on proportionate shareholdings of 50.01%;
 - a proportionately personal guarantee from Tan Sri Dato' David Chiu of 49.99%; and
 - a proportionately corporate guarantee from Malaysia Land Properties Sdn. Bhd. of 49.99%.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

17. Borrowings (cont'd.)

The credit facilities granted to the subsidiaries are as follows (cont'd.):

(b) Term loan (cont'd.)

- (ii) In accordance with supplemental letter of offer dated 26 May 2016, the term loan is repayable over 83 equal monthly instalments of RM179,000 each and a final instalment of RM143,000 commencing on the 37th month from the date of first drawdown.

The said loan bears interest at bank's cost of funds minus 1.5% per annum.

- (iii) Term loan to partially finance the purchase of leasehold commercial land situated in Seri Kembangan. The said loan is secured by:

- a first legal charge over the said commercial leasehold land;
- a specific debenture over development land and project together with fixed and floating assets, intellectual properties, goodwill, revenues, undertakings and all other rights relating to the project;
- a corporate guarantee by the Company; and
- the subordination of all shareholders' advances to the Facilities

In accordance with supplemental letter of offer dated 13 November 2013, the term loan is repayable over 48 quarterly instalments ranging from RM800,000 each to RM4,000,000 each with a final instalment of RM13,020,000. The repayment shall commence on March 2017.

The said loan bears interest at bank's cost of funds minus 1.5% per annum.

(c) Revolving credit

The revolving credit of RM3,729,000 to finance the preliminaries earthwork and common infrastructure costs for residential development in Seremban. The said facility is secured by way of:

- a first legal charge over the development lands as disclosed in Note 4; and
- a corporate guarantee from the Company

In accordance with supplemental letter of offer dated 28 March 2019, the repayment term of the credit facilities shall be as follows:

- through redemption of individual units sold; or
- repayable over 8 quarterly instalments of RM625,000 each commencing on the 40th month from the date of first drawdown of the RC facility.

The said loan bears interest at bank's cost of funds plus 1.5% per annum.

Reconciliation of movements of liabilities to cash flows arising from financing activities

Group	Bridging loan RM'000	Term loan RM'000	Revolving credit RM'000	Others RM'000	Total RM'000
At 1 April 2017	-	77,091	-	106	77,197
Acquisition of subsidiaries	-	133,940	-	-	133,940
Net changes from financing activities	-	(25,433)	-	(85)	(25,518)
At 31 March 2018	-	185,598	-	21	185,619
Net changes from financing activities	25,916	(25,122)	3,729	(73)	4,450
Other changes	-	-	-	456	456
At 31 March 2019	25,916	160,476	3,729	404	190,525

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

18. Revenue

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Revenue from contracts with customers				
Sales of properties and land	106,087	64,969	-	-
Management fee	240	259	2,404	2,215
Education fees	15,280	14,161	-	-
Others	4,537	5,043	-	-
	126,144	84,432	2,404	2,215
Other revenue				
Dividend income from subsidiary	-	-	30,000	30,000
Other finance income	3,364	4,114	3,167	3,301
Leasing income	4,927	4,384	3,276	3,108
	8,291	8,498	36,443	36,409
Total revenue	134,435	92,930	38,847	38,624
Timing and recognition				
At a point in time	9,268	24,678	-	-
Over time	116,876	59,755	2,404	2,215

18.1 The following shows the revenue expected to be recognised in the future related to the performance obligations that are yet to be satisfied by the Group at the reporting date. The amounts presented below, are after accounting for all the variable considerations from contracts with customers.

	Within 1 to 3 years RM'000
Remaining performance obligation for the financial year end	
Property development revenue	109,695

18.2 The Group and the Company apply the following practical expedients:

- exemption on disclosure of information on remaining performance obligations that have original expected durations of one year or less.
- exemption not to adjust the promised amount of consideration for the effects of a significant financing component when the period between the transfer of a promised good or service to a customer and when the customer pays for that good or service is one year or less.

Revenue arising from sale of properties is arising from sale of residential properties and land in Malaysia. For sale of incomplete units, revenue is recognised over time, which is determined by the proportion that property development costs incurred for work performed to date compared to the estimated total property development costs.

For sale of completed unit and land, revenue is recognised at a point in time, which normally is upon the delivery of vacant possession or upon the Group allowing the customer to raise financing using the property.

Significant judgement is required in determining the revenue to be recognised over time, which is highly dependent on the estimated total property development costs. In making the judgement, the Group evaluates the estimates based upon past experience and by relying on the work of architects and quantitative surveyors.

Revenue arising from education fees is recognised over time throughout the academic period.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

19. Other income

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Dividend on money market funds	5,132	3,346	-	-
Gain on disposal of property, plant and equipment	119	22,960	99	-
Interest income	2,901	7,679	-	725
Unwinding of discount on loan to				
- subsidiaries	-	-	-	6,947
- joint venture	-	1,403	-	-
Reversal of allowance for impairment				
- property, plant and equipment	7,747	-	-	-
- amount due from subsidiaries	-	-	-	7,304
Write back of accruals for construction costs	1,073	-	-	-
Write back of provision for				
- costs to complete	4,735	45,212	-	-
- financial obligation	20,805	-	20,805	-
- others	1,284	-	-	-
Write back of retention sum payables	2,185	-	-	-
Other income	1,912	13,731	512	173
	47,893	94,331	21,416	15,149

20. Staff costs

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Wages, salaries and bonus	18,682	17,130	2,771	3,863
Defined contribution plan	2,180	2,101	324	298
Other employment benefits	1,111	2,433	120	127
	21,973	21,664	3,215	4,288

Included in staff costs of the Group and of the Company are remunerations (excluding benefits-in-kind) of executive director of the Group and of the Company amounting to RM1,137,000 (2018: RM1,122,000) as further disclosed below:

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Executive director's remuneration				
Other emoluments	1,137	1,122	1,137	1,122
Non-executive directors' remuneration				
Fees	344	516	344	516
Other emoluments	208	190	208	190
	552	706	552	706
Total directors' remuneration	1,689	1,818	1,689	1,818
Estimated money value of benefits-in-kind	36	33	36	33
Total directors' remuneration including benefits-in-kind	1,725	1,851	1,725	1,851

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

21. Profit before tax

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Profit before tax is arrived at after charging:				
Auditors' remuneration:				
Auditors of the Company				
- Statutory audit	290	256	70	90
- Other services	65	66	30	35
Other auditors				
- Statutory audit	45	70	-	-
- Other services	49	56	-	-

22. Tax expense

	Group		Company	
Note	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Income tax:				
Malaysian income tax	8,661	2,322	700	1,052
Under/(Over) provision in prior years	1,572	(5,754)	(70)	165
	10,233	(3,432)	630	1,217
Deferred tax:				
Reversal and origination of temporary differences	(8,583)	12,920	7	17
Under provision in prior years	2,288	1,921	-	-
	(6,295)	14,841	7	17
	3,938	11,409	637	1,234

Reconciliation of tax expense

Profit before tax	52,893	80,465	51,447	39,899
Taxation at Malaysian statutory tax rate of 24% (2018: 24%)	12,694	19,312	12,347	9,576
Income not subject to tax	(9,862)	(23,434)	(12,193)	(11,225)
Non-deductible expenses	3,460	19,227	553	1,842
Utilisation of previously unrecognised tax losses and unabsorbed capital allowance	-	(873)	-	-
Difference in effective tax rate on deemed disposal of land	22.1 (6,890)	-	-	-
Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowances	676	1,010	-	876
Under provision of deferred tax in prior year	2,288	1,921	-	-
Under/(Over) provision of tax expense in prior years	1,572	(5,754)	(70)	165
	3,938	11,409	637	1,234

22.1 This relates to a piece of land being transferred from investment properties to land held for property development.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

23. Earnings per ordinary share

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share for the year ended 31 March 2019 was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

Group	2019	2018
Profit for the year attributable to owners of the Company ('000)	41,672	67,075
Weighted average number of ordinary shares in issue ('000)	2,952,582	2,711,446
Basic earnings per share (sen)	1.41	2.47

Diluted earnings per ordinary share

The calculation of diluted earnings per ordinary share for the year ended 31 March 2019 was based on profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, calculated as follows:

Group	2019 RM'000	2018 RM'000
Profit for the year attributable to owners of the Company	41,672	67,075
Interest expense on ICULS	-	64
Profit attributable to owners of the Company used in the computation of diluted earnings per share	41,672	67,139
	'000	'000
Weighted average number of ordinary shares in issue	2,952,582	2,711,446
Adjustment for potential dilutive shares under ICULS conversion	-	64,574
Weighted average number of ordinary shares in issue used in the computation of diluted earnings per share	2,952,582	2,776,020
Diluted earnings per share (sen)	1.41	2.42

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

24. Dividends

Dividends recognised by the Company:

	Sen per share RM	Total amount RM'000	Date of payment
2019			
Final 2018 ordinary	1.5	44,597	26 October 2018

After the end of the reporting period the following dividend was proposed by the Directors. This dividend will be recognised in the subsequent financial period upon approval by the owners of the shareholders.

	Sen per share RM	Total amount RM'000
Final 2019 ordinary	1.0	29,731

25. Operating segments

The Group has three reportable segments based on its products and services. The Managing Director together with the Board of Directors are collectively the chief operating decision maker ("CODM"). CODM assesses the performance of these segments regularly based on internal management reports. The operations in each of the reportable segment are as follows:

- (i) Property development: development of residential and commercial properties
- (ii) Education: operation of co-education schooling from kindergarten to secondary education
- (iii) Property investment: investment in commercial properties
- (iv) Investment holding: provision of funding and investment related services
- (v) Other segment: land cultivation, management of club activities and dormant companies

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss for the financial year, in certain respects as set out below, is measured differently from operating profit or loss in the consolidated financial statements.

With the exception of its property development in Australia via its joint venture, Hidden Valley Australia Pty Ltd, the Group's entire active business operations is located in Malaysia.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

25. Operating segments (cont'd.)

2019		Note	Property development RM'000	Education RM'000	Property investment RM'000	Investment holding RM'000	Other segment RM'000	Adjustments and eliminations RM'000	Consolidated financial statements RM'000
Revenue									
Sales to external customers			109,762	15,672	104	407	5,126	-	131,071
Interest income, dividends on money market funds, unit trust funds and quoted investment			-	-	-	3,255	109	-	3,364
Inter-segment sales	A		170	-	-	5,512	28	(5,710)	-
Total revenue			109,932	15,672	104	9,174	5,263	(5,710)	134,435
Results									
Operating profit	B		35,433	4,566	(2,485)	17,988	(2,694)	85	52,893
Interest income, dividends on money market funds and unit trust funds			7,140	555	135	-	203	-	8,033
Depreciation and amortisation			4,157	440	1,321	528	358	-	6,804
Reversals of impairment losses on property, plant and equipment			(7,747)	-	-	-	-	-	(7,747)
Reversals of provisions			(6,019)	-	-	(20,805)	-	-	(26,824)
Assets									
Additions to non-current assets	C		12,298	14,320	66	477	145	-	27,306
Segment assets	D		1,160,210	37,858	63,661	48,209	65,474	170,490	1,545,902
Liabilities									
Segment liabilities	E		276,193	6,695	693	53,661	4,341	27,604	371,187

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

25. Operating segments (cont'd.)

2018		Property development	Education	Property investment	Investment holding	Other segment	Adjustments and eliminations	Consolidated financial statements
Revenue		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
A	Sales to external customers	68,495	14,361	24	259	5,678	-	88,817
	Interest income, dividends on money market funds, unit trust funds and quoted investment	-	-	-	4,052	61	-	4,113
	Inter-segment sales	170	-	-	5,323	12	(5,505)	-
	Total revenue	68,665	14,361	24	9,634	5,751	(5,505)	92,930
Results								
B	Operating profit	86,780	4,982	(2,540)	(1,421)	374	(7,710)	80,465
	Interest income, dividends on money market funds and unit trust funds	10,181	638	10	-	196	-	11,025
	Depreciation and amortisation	1,682	420	1,307	548	377	-	4,334
	Reversals of provisions	(56,038)	-	-	-	-	-	(56,038)
Assets								
C D	Additions to non-current assets	334,084	571	118	7	176	-	334,956
	Segment assets	1,097,741	35,813	65,814	116,756	66,700	161,594	1,544,418
Liabilities								
E	Segment liabilities	324,676	6,771	368	61,249	1,607	24,196	418,867

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

25. Operating segments (cont'd.)

Notes: Nature of adjustments and eliminations to arrive at amounts reported in the consolidated financial statements.

A Inter-segment revenues are eliminated on consolidation.

B The following items are added to operating profit to arrive at total profit before tax reported in the consolidated statement of comprehensive income:

	2019 RM'000	2018 RM'000
Finance costs	(2,442)	(4,409)
Share of results of an associate	2,527	(3,301)
	85	(7,710)

C Additions to non-current assets consist of:

	2019 RM'000	2018 RM'000
Property, plant and equipment	20,121	1,814
Land held for property development	7,120	332,898
Investment property	65	118
Bearer plant	-	126
	27,306	334,956

D The following items are added to segment assets to arrive at total assets reported in the consolidated statement of financial position:

	2019 RM'000	2018 RM'000
Investment in associates	151,568	149,041
Deferred tax assets	15,159	7,938
Tax recoverable	3,763	4,615
	170,490	161,594

E The following items are added to segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position:

	2019 RM'000	2018 RM'000
Deferred tax liabilities	24,704	23,778
Tax payable	2,900	418
	27,604	24,196

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

25. Operating segments (cont'd.)

Geographical information

Revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Revenue		Non-current assets	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Malaysia	134,040	92,567	908,910	817,194
Australia	285	302	-	-
Others	110	61	-	-
	134,435	92,930	908,910	817,194

26. Financial instruments

26.1 Categories of financial instruments

The table below provides an analysis of financial instruments as at 31 March 2019 categorised as follows:

- (a) Amortised cost ("AC"); and
- (b) Fair value through profit or loss ("FVTPL")

	Carrying amount RM'000	AC RM'000	FVTPL RM'000
31 March 2019			
Financial assets			
Group			
Trade and other receivables	13,820	13,820	-
Other investment	11,468	-	11,468
Money market funds	1,042	-	1,042
Deposits, cash and bank balances	218,912	218,912	-
	245,242	232,732	12,510
Company			
Trade and other receivables	214	214	-
Other investment	11,468	-	11,468
Money market funds	58	-	58
Deposits, cash and bank balances	14,706	14,706	-
	26,446	14,920	11,526

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. Financial instruments (cont'd.)

26.1 Categories of financial instruments (cont'd.)

	Carrying amount RM'000	AC RM'000	FVTPL RM'000
31 March 2019			
Financial liabilities			
Group			
Borrowings	190,525	190,525	-
Trade and other payables	105,156	87,126	18,030
	295,681	277,651	18,030
Company			
Borrowings	326	326	-
Trade and other payables	33,979	15,949	18,030
	34,305	16,275	18,030

The table below provides an analysis of financial instruments as at 31 March 2018 and 1 April 2017 categorised as follows:

- (a) Loans and receivables ("L&R");
- (b) Financial liabilities measured at amortised cost ("FL"); and
- (c) Fair value through profit or loss ("FVTPL")

	Carrying amount RM'000	L&R RM'000	FL RM'000	FVTPL RM'000
31 March 2018				
Financial assets				
Group				
Trade and other receivables	17,588	17,588	-	-
Other investment	11,900	-	-	11,900
Money market funds	1,454	-	-	1,454
Deposits, cash and bank balances	385,422	385,422	-	-
	416,364	403,010	-	13,354
Company				
Trade and other receivables	87,802	87,802	-	-
Other investment	11,900	-	-	11,900
Money market funds	729	-	-	729
Deposits, cash and bank balances	96,720	96,720	-	-
	197,151	184,522	-	12,629

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. Financial instruments (cont'd.)

26.1 Categories of financial instruments (cont'd.)

	Carrying amount RM'000	L&R RM'000	FL RM'000	FVTPL RM'000
Financial liabilities				
Group				
Borrowings	185,619	-	185,619	-
Trade and other payables	122,148	-	122,148	-
	307,767	-	307,767	-
Company				
Borrowings	21	-	21	-
Trade and other payables	35,108	-	35,108	-
	35,129	-	35,129	-
1 April 2017				
Financial assets				
Group				
Trade and other receivables	42,182	42,182	-	-
Other investment	13,092	-	-	13,092
Money market funds	7,380	-	-	7,380
Deposits, cash and bank balances	390,419	390,419	-	-
	453,073	432,601	-	20,472
Company				
Trade and other receivables	306,585	306,585	-	-
Other investment	13,092	-	-	13,092
Money market funds	1,593	-	-	1,593
Deposits, cash and bank balances	33,632	33,632	-	-
	354,902	340,217	-	14,685
Financial liabilities				
Group				
Borrowings	91,560	-	91,560	-
Trade and other payables	91,828	-	91,828	-
	183,388	-	183,388	-
Company				
Borrowings	106	-	106	-
Trade and other payables	27,507	-	27,507	-
Dividend payable	58,577	-	58,577	-
	86,190	-	86,190	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. Financial instruments (cont'd.)

26.2 Net gains and losses arising from financial instruments

	Group		Company	
	2019 RM'000	2018 RM'000	2019 RM'000	2018 RM'000
Net gains/(losses) arising on:				
Financial assets measured at amortised cost	4,463	-	296	-
Financial assets measured at fair value through profit or loss	7,531	4,703	2,439	1,351
Financial liabilities measured at amortised cost	(10,373)	(14,863)	(169)	(3,197)
Financial liabilities measured at fair value through profit or loss	(1,947)	-	(1,947)	-
Loans and receivables	-	7,587	-	918
	(326)	(2,573)	619	(928)

26.3 Financial risk management

The Group and the Company have exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

26.4 Credit risk

Credit risk is the risk of a financial loss to the Group or the Company if a counterparty to a financial instrument fails to meet its contractual obligation. The Group's and the Company's exposure to credit risk arises principally from receivables, contract assets, other investments and deposits, cash and bank balances. There are no significant changes as compared to prior years.

Trade receivables and contract assets

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis.

At each reporting date, the Group or the Company assesses whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group or the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from receivables is represented by the carrying amounts in the statement of financial position.

Management has taken reasonable steps to ensure that receivables that are neither past due nor impaired are measured at their realisable values. The Group and the Company use ageing analysis to monitor the credit quality of the receivables.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. Financial instruments (cont'd.)

26.4 Credit risk (cont'd.)

Trade receivables and contract assets (cont'd.)

Recognition and measurement of impairment losses

The Group assessed the risk of loss of each customer individually based on their financial information, past trend of payments and external credit ratings, where applicable. Generally, these customers have low risk of default because they are normally collateralised with security deposits or titles of properties.

The following table provides information about the exposure to credit risk and Expected Credit Losses ("ECLs") for trade receivables and contract assets as at 31 March 2019 which are grouped together as they are expected to have similar risk nature.

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
31 March 2019			
Group			
Current (not past due)	83,696	-	83,696
31 – 60 days past due	734	-	734
61 – 90 days past due	943	-	943
91 – 120 days past due	651	-	651
More than 120 days past due	2,525	(261)	2,264
	88,549	(261)	88,288

Comparative information under MFRS 139, Financial Instruments: Recognition and Measurement

The ageing of trade receivables and contract assets as at 31 March 2018 and 1 April 2017 was as follows:

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
31 March 2018			
Group			
Current (not past due)	55,853	-	55,853
31 – 60 days past due	1,002	-	1,002
61 – 90 days past due	-	-	-
91 – 120 days past due	111	-	111
More than 120 days past due	1,062	(584)	478
	58,028	(584)	57,444
1 April 2017			
Group			
Current (not past due)	42,752	-	42,752
31 – 60 days past due	1,089	-	1,089
61 – 90 days past due	42	-	42
91 – 120 days past due	30	-	30
More than 120 days past due	660	(273)	387
	44,573	(273)	44,300

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. Financial instruments (cont'd.)

26.4 Credit risk (cont'd.)

Movements on the Group's loss allowances for trade receivables and contract assets are as follows:

	2019 RM'000	2018 RM'000
Group		
At 1 April	584	273
Impairment loss recognised	40	411
Impairment loss reversed	(363)	(100)
At 31 March	261	584

Other investment and cash and cash equivalents

The other investment and cash and cash equivalents are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group and the Company are of the view that the loss allowance is not material and hence, it is not provided for.

Other receivables

Risk management objectives, policies and processes for managing the risk

Credit risks on other receivables are mainly arising from non-trade amounts due from related parties, non-trade deposits and sundry receivables.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

Recognition and measurement of impairment loss

As at the end of the reporting period, the Group recognised the allowance for impairment losses as below:

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
31 March 2019			
Group			
Amount due from joint venture	18,638	(18,638)	-
Amount due from associate	1,145	(1,145)	-
Deposits and sundry receivables	7,546	(2,724)	4,822
	27,329	(22,507)	4,822
31 March 2018			
Group			
Amount due from joint venture	12,970	(12,970)	-
Amount due from associate	1,145	(1,145)	-
Deposits and sundry receivables	9,311	(3,381)	5,930
	23,426	(17,496)	5,930

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. Financial instruments (cont'd.)

26.4 Credit risk (cont'd.)

Other receivables (cont'd.)

Recognition and measurement of impairment loss (cont'd.)

	Gross carrying amount RM'000	Loss allowance RM'000	Net balance RM'000
1 April 2017			
Group			
Amount due from joint venture	13,963	(13,963)	-
Amount due from associate	1,145	(1,145)	-
Deposits and sundry receivables	43,155	(3,748)	39,407
	58,263	(18,856)	39,407

Movements on the Group's loss allowances for other receivables are as follows:

	2019 RM'000	2018 RM'000
Group		
At 1 April	17,496	18,856
Impairment loss recognised	21	1,376
Impairment loss reversed	(807)	(2,370)
Foreign exchange	5,797	(366)
At 31 March	22,507	17,496

26.5 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from payables, borrowings and corporate guarantees provided to banks.

The Group or the Company maintain a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. Financial instruments (cont'd.)

26.5 Liquidity risk (cont'd.)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

31 March 2019									
Group									
Borrowings	190,525	3.40% to 5.47%	255,855	32,417	29,078	105,445	88,915		
Trade and other payables	105,156	12.00%	125,848	125,848	-	-	-		
Corporate guarantees	-	-	43,347	43,347	-	-	-		
	295,681		425,050	201,612	29,078	105,445	88,915		
Company									
Borrowings	326	5.47%	356	84	84	188	-		
Trade and other payables	33,979	-	54,671	54,671	-	-	-		
Corporate guarantees	-	-	191,041	191,041	-	-	-		
	34,305		246,068	245,796	84	188	-		
31 March 2018									
Group									
Borrowings	185,619	5.47%	245,160	25,787	26,981	84,709	107,683		
Trade and other payables	122,148	-	144,788	144,788	-	-	-		
Corporate guarantees	-	-	52,277	52,277	-	-	-		
	307,767		442,225	222,852	26,981	84,709	107,683		

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. Financial instruments (cont'd.)

26.5 Liquidity risk (cont'd.)

The table below summarises the maturity profile of the Group's and the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying RM'000	Contractual interest rates	Contractual cash flows RM'000	Under 1 year RM'000	1-2 years RM'000	2-5 years RM'000	More than 5 years RM'000
31 March 2018							
Company							
Borrowings	21	5.47%	21	21	-	-	-
Trade and other payables	35,108	-	57,748	57,748	-	-	-
Corporate guarantees	-	-	197,797	197,797	-	-	-
	35,129		255,566	255,566	-	-	-
1 April 2017							
Group							
Borrowings	91,560	5.47%	113,832	31,223	15,399	14,753	52,457
Trade and other payables	90,828	-	90,828	90,828	-	-	-
Dividend payable	58,577	-	58,577	58,577	-	-	-
	240,965		263,237	180,628	15,399	14,753	52,457
Company							
Borrowings	106	5.47%	116	85	31	-	-
Trade and other payables	27,507	-	27,507	27,507	-	-	-
Dividend payable	58,577	-	58,577	58,577	-	-	-
Corporate guarantees	-	-	45,736	45,736	-	-	-
	86,190		131,936	131,905	31	-	-

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. Financial instruments (cont'd.)

26.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and other prices will affect the Group's financial position or cash flows.

26.6.1 Currency risk

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of Group entities. The currencies giving rise to this risk are primarily Australian Dollar ("AUD"), and Great Britain Pound ("GBP").

Risk management objectives, policies and processes for managing the risk

The Group ascertains that the net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates where necessary to address short term imbalances.

Exposure to foreign currency risk

The Group's exposure to foreign currency (a currency which is other than the currency of the Group entities) risk, based on carrying amounts as at the end of the reporting period was:

	31 March 2019 Denominated in		31 March 2018 Denominated in		1 April 2017 Denominated in	
	AUD RM'000	GBP RM'000	AUD RM'000	GBP RM'000	AUD RM'000	GBP RM'000
Trade and other receivables	22	10	20	7	27	5
Deposits, cash and bank balances	5,359	4,596	4,817	4,229	4,956	4,778
Trade and other payables	(64)	-	(41)	(8)	(85)	(8)
Exposure in the statements of financial position	5,317	4,606	4,796	4,228	4,898	4,775

Currency risk sensitivity analysis

The Group's exposure to currency risk is not material and hence, sensitivity analysis is not presented.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. Financial instruments (cont'd.)

26.6 Market risk (cont'd.)

26.6.2 Interest rate risk

The Group's investments in fixed rate deposits are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. Short term receivables and payables are not significantly exposed to interest rate risk.

Exposure to interest rate risk

The interest rate profile of the Group's and the Company's significant interest earning and interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	Group			Company		
	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Fixed rate instruments						
Financial assets	185,682	271,135	375,210	3,539	3,275	33,042
Floating rate instruments						
Financial assets	1,042	1,454	7,380	58	729	1,593
Financial liabilities	(190,525)	(185,619)	(91,560)	(326)	(21)	(106)
	(189,483)	(184,165)	(84,180)	(268)	708	1,487

Fair value sensitivity analysis for fixed rate instruments

The Group and the Company do not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 100 basis point ("bp") in interest rates at the end of the reporting period would have increased/ (decreased) equity and post-tax profit or loss by the amounts shown below. The analysis assumes that all other variables, in particular foreign currency rates, remain constant.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. Financial instruments (cont'd.)

26.6 Market risk (cont'd.)

26.6.2 Interest rate risk (cont'd.)

Cash flow sensitivity analysis for variable rate instruments (cont'd)

	Equity		Profit or loss	
	100 bp Increase RM'000	100 bp Decrease RM'000	100 bp Increase RM'000	100 bp Decrease RM'000
Group				
2019				
Floating rate instruments	(1,440)	1,440	(1,440)	1,440
2018				
Floating rate instruments	(1,400)	1,400	(1,400)	1,400

The Company's exposure to interest rate risk is not material and hence, sensitivity analysis is not presented.

26.6.3 Other price risk

Equity price risk arises from the Group's and the Company's investment in quoted shares.

	Group and Company		
	31.3.2019 RM'000	31.3.2018 RM'000	1.4.2017 RM'000
Investment in quoted shares	11,468	11,900	13,092

The Group's and the Company's exposure to price risk is not material and hence, sensitivity analysis is not presented.

26.7 Fair value information

The carrying amounts of cash and cash equivalents, short-term receivables and payables reasonably approximate their fair value due to the relatively short term nature of these financial instruments.

The Group's exposure to currency risk is not material and hence, sensitivity analysis is not presented.

The table below analyses financial instruments not carried at fair value for which fair value is disclosed, together with their fair values and carrying amounts shown in the statements of financial position.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. Financial instruments (cont'd.)

26.7 Fair value information (cont'd.)

31 March 2019 Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
Financial assets										
Other investment	11,468	-	-	11,468	-	-	-	-	11,468	11,468
Money market funds	-	1,042	-	1,042	-	-	-	-	1,042	1,042
	11,468	1,042	-	12,510	-	-	-	-	12,510	12,510
Financial liabilities										
Borrowings	-	-	-	-	-	-	(190,525)	(190,525)	(190,525)	(190,525)
Contingent consideration	-	-	(18,030)	(18,030)	-	-	-	-	(18,030)	(18,030)
	-	-	(18,030)	(18,030)	-	-	(190,525)	(190,525)	(208,555)	(208,555)
Company										
Financial assets										
Other investment	11,468	-	-	11,468	-	-	-	-	11,468	11,468
Money market funds	-	58	-	58	-	-	-	-	58	58
	11,468	58	-	11,526	-	-	-	-	11,526	11,526
Financial liabilities										
Borrowings	-	-	-	-	-	-	(326)	(326)	(326)	(326)
Contingent consideration	-	-	(18,030)	(18,030)	-	-	-	-	(18,030)	(18,030)
	-	-	(18,030)	(18,030)	-	-	(326)	(326)	(18,356)	(18,356)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. Financial instruments (cont'd.)

26.7 Fair value information (cont'd.)

31 March 2018 Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
Financial assets										
Other investment	11,900	-	-	11,900	-	-	-	-	11,900	11,900
Money market funds	-	1,454	-	1,454	-	-	-	-	1,454	1,454
	11,900	1,454	-	13,354	-	-	-	-	13,354	13,354
Financial liabilities										
Borrowings	-	-	-	-	-	-	(189,619)	(189,619)	(189,619)	(189,619)
Contingent consideration	-	-	(16,082)	(16,082)	-	-	-	-	(16,082)	(16,082)
	-	-	(16,082)	(16,082)	-	-	(189,619)	(189,619)	(205,701)	(205,701)
Company										
Financial assets										
Other investment	11,900	-	-	11,900	-	-	-	-	11,900	11,900
Non-current other receivable	-	-	-	-	-	-	45,016	45,016	45,016	45,016
Money market funds	-	729	-	729	-	-	-	-	729	729
	11,900	729	-	12,629	-	-	45,016	45,016	57,645	57,645
Financial liabilities										
Borrowings	-	-	-	-	-	-	(21)	(21)	(21)	(21)
Contingent consideration	-	-	(16,082)	(16,082)	-	-	-	-	(16,082)	(16,082)
	-	-	(16,082)	(16,082)	-	-	(21)	(21)	(16,103)	(16,103)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. Financial instruments (cont'd.)

26.7 Fair value information (cont'd.)

1 April 2017 Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value RM'000	Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000		
Financial assets										
Other investment	13,092	-	-	13,092	-	-	-	-	13,092	13,092
Money market funds	-	7,380	-	7,380	-	-	-	-	7,380	7,380
	13,092	7,380	-	20,472	-	-	-	-	20,472	20,472
Financial liabilities										
Borrowings	-	-	-	-	-	-	(91,560)	(91,560)	(91,560)	(91,560)
Company										
Financial assets										
Other investment	13,092	-	-	13,092	-	-	-	-	13,092	13,092
Non-current other receivable	-	-	-	-	-	-	204,148	204,148	204,148	204,148
Money market funds	-	1,593	-	1,593	-	-	-	-	1,593	1,593
	13,092	1,593	-	14,685	-	-	204,148	204,148	218,833	218,833
Financial liabilities										
Borrowings	-	-	-	-	-	-	(106)	(106)	(106)	(106)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

26. Financial instruments (cont'd.)

26.7 Fair value information (cont'd.)

Level 1 fair value

Other investment

Fair value is determined directly by reference to their published market price at the reporting date.

Level 2 fair value

Money market funds

Fair value is determined directly by reference to their published Net Assets Value ("NAV") at the reporting date.

Level 3 fair value

Borrowings

Discounted cash flows using a rate based on the current market rate of borrowing of the Group and the Company at the reporting date is used as a valuation technique in the determination of fair values of term loans.

Contingent consideration

Discounted cash flows using a rate based on the industry risk rate of the associate at the reporting date is used as a valuation technique in the determination of fair values of contingent consideration. The significant assumptions are included in Note 16.2.

27. Capital management

The Group's objectives when managing capital is to maintain a strong capital base and safeguard the Group's ability to continue as a going concern, so as to maintain investors, creditors and market confidence and to sustain the future development of the business. The Directors monitor and are determined to maintain an optimal debt-to-equity ratio that complies with debt covenants and regulatory requirements.

There was no change in the Group's approach to capital management during the year.

28. Capital and other commitments

	2019 RM'000	2018 RM'000	2017 RM'000
Group			
Capital expenditure			
Approved and contracted for			
- School building	23,915	-	-
- Other commitments	-	41,211	314,348
	23,915	41,211	314,348
Company			
Capital expenditure			
Approved and contracted for			
- Other commitments	-	41,211	314,348

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

29. Related parties

Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly and entity that provides key management personnel services to the Group. The key management personnel include all the Directors of the Group, and certain members of senior management of the Group.

The Group has related party relationship with its holding companies, significant investors, subsidiaries, associates and key management personnel.

Significant related party transactions

Related party transactions have been entered into in the normal course of business under negotiated terms. The significant related party transactions of the Group and the Company are shown below. The balances related to the below transactions are shown in notes 10 and 16.

	Group	
	2019	2018
	RM'000	RM'000
Management fee paid by a joint venture	239	259

	Company	
	2019	2018
	RM'000	RM'000
Rental income from subsidiaries	3,108	3,108
Management fee from subsidiaries	2,404	2,215
Interest income from a subsidiary	-	725
Rental expense paid to a subsidiary	(110)	(110)
Dividend from subsidiaries	30,000	30,000

Outstanding balances in respect of the above transactions are disclosed in Note 10 and Note 16.

	Group		Company	
	2019	2018	2019	2018
	RM'000	RM'000	RM'000	RM'000
Management entity				
Key management personnel services fee				
Short-term employee benefits	3,887	3,895	2,076	1,911
Post-employment benefits:				
- Defined contribution plan	463	460	249	229
- Other benefits	103	127		568
	4,453	4,482	2,381	2,201

Included in the total compensation of key management personnel are executive directors' remuneration and the estimated money value of benefits-in-kind as disclosed in Note 20.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. Explanation of transition to MFRS Framework

As stated in Note 1(a), these are the first financial statements of the Group and the Company prepared in accordance with MFRSs. Accordingly, the Group and the Company have applied MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards* upon their adoption of the MFRS framework on 1 April 2018.

The preparation of the financial statements requires significant accounting estimates. The estimates as at 1 April 2017 and as at 31 March 2018 were consistent with those made for the same dates previously under FRS.

In the preparation of the Group's and the Company's opening financial position as at 1 April 2017 (the Group's date of transition to MFRSs), the amounts previously reported in accordance with the previous FRS framework have been adjusted for the financial effect of the adoption of the MFRS framework. The adjustments arising from the transition to MFRS for the consolidated financial statements are as those discussed below.

30.1 Reconciliation of financial position

Group	Note	1 April 2017			31 March 2018		
		Effect of transition			Effect of transition		
		FRSs RM'000	to MFRSs RM'000	MFRSs RM'000	FRSs RM'000	to MFRSs RM'000	MFRSs RM'000
Non-current assets							
Property, plant and equipment	30.4.1	76,065	16,028	92,093	76,199	15,028	91,227
Investment properties		87,829	-	87,829	86,353	-	86,353
Land held for property development	30.4.2	158,740	(158,740)	-	493,347	(493,347)	-
Inventories	30.4.2(b)	-	157,640	157,640	-	470,537	470,537
Goodwill		12	(12)	-	12	(12)	-
Land use rights		48	(48)	-	47	(47)	-
Biological assets	30.4.1(b)	6,567	(6,567)	-	6,422	(6,422)	-
Investment in associates	30.4.3	-	-	-	12,105	136,936	149,041
Other investments		13,092	-	13,092	11,900	-	11,900
Deferred tax assets		22,144	185	22,329	7,867	71	7,938
Trade and other receivables	30.4.3	-	-	-	143,512	(143,512)	-
Other non-current assets		-	201	201	-	198	198
Total non-current assets		364,497	8,687	373,184	837,764	(20,570)	817,194

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. Explanation of transition to MFRS Framework (cont'd.)

30.1 Reconciliation of financial position (cont'd.)

Group	Note	1 April 2017			31 March 2018		
		Effect of transition			Effect of transition		
		FRSs RM'000	to MFRSs RM'000	MFRSs RM'000	FRSs RM'000	to MFRSs RM'000	MFRSs RM'000
Current assets							
Property development costs	30.4.4	219,643	(219,643)	-	230,798	(230,798)	-
Inventories	30.4.4	43,483	194,183	237,666	39,732	199,849	239,581
Trade and other receivables	30.4.5	81,930	(39,748)	42,182	38,358	(20,770)	17,588
Other current assets	30.4.6	682	7,380	8,062	14,770	(11,729)	3,041
Tax recoverable		421	-	421	4,615	-	4,615
Contract assets	30.4.7	-	41,525	41,525	-	45,786	45,786
Contract costs	30.4.8	-	21,010	21,010	-	31,191	31,191
Other investments	30.4.6(a)	7,380	(7,380)	-	1,454	(1,454)	-
Deposits, cash and bank balances		390,419	-	390,419	385,422	-	385,422
Total current assets		743,958	(2,673)	741,285	715,149	12,075	727,224
Total assets		1,108,455	6,014	1,114,469	1,552,913	(8,495)	1,544,418
Retained profits	30.4.9	354,254	10,882	365,136	428,504	3,707	432,211
Other reserves	30.4.9(a)	20,992	(8,859)	12,133	21,248	(8,859)	12,389
Non-controlling interests		16,553	2,882	19,435	17,209	4,207	21,416
Others		281,068	-	281,068	659,535	-	659,535
Total equity		672,867	4,905	677,772	1,126,496	(945)	1,125,551
Provisions		122,795	(860)	121,935	69,348	(860)	68,488
Trade and other payables	30.4.10	95,119	(4,291)	90,828	127,447	(5,299)	122,148
Deferred tax liabilities	30.4.11	23,323	-	23,323	43,504	(19,726)	23,778
Contract liabilities	30.4.12	-	6,260	6,260	-	18,335	18,335
Others		194,351	-	194,351	186,118	-	186,118
Total liabilities		435,588	1,109	436,697	426,417	(7,550)	418,867
Total equity and liabilities		1,108,455	6,014	1,114,469	1,552,913	(8,495)	1,544,418

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. Explanation of transition to MFRS Framework (cont'd.)

30.1 Reconciliation of financial position (cont'd.)

Company	Note	1 April 2017 Effect of transition to MFRSs		31 March 2018 Effect of transition to MFRSs		MFRSs RM'000
		FRSs RM'000	RM'000	FRSs RM'000	RM'000	
Investment in subsidiaries	30.4.13	249,009	-	249,009	762,313	776,933
Others		380,529	-	380,529	221,824	221,824
Total assets		629,538	-	629,538	984,137	998,757
Retained profits		220,998	860	221,858	261,124	260,523
Others		281,068	-	281,068	659,535	659,535
Total equity		502,066	860	502,926	920,659	920,058
Provisions		41,106	(860)	40,246	44,171	43,311
Trade and other payables	30.4.13	27,507	-	27,507	19,027	35,108
Others		58,859	-	58,859	280	280
Total liabilities		127,472	(860)	126,612	63,478	78,699
Total equity and liabilities		629,538	-	629,538	984,137	998,757

30.2 Reconciliation of profit or loss and other comprehensive income for the year ended 31 March 2018

Group	Note	FRSs RM'000	Effect of transition to MFRSs RM'000	MFRSs RM'000
Revenue		98,018	(5,088)	92,930
Other income		101,491	(7,160)	94,331
Property development expenditure recognised as expense		(36,595)	8,229	(28,366)
Changes in inventories		(3,780)	1,283	(2,497)
Staff costs		(21,664)	-	(21,664)
Other expenses		(43,780)	(2,779)	(46,559)
Operating profit		93,690	(5,515)	88,175
Finance costs		(4,409)	-	(4,409)
Share of results of an associate		(3,301)	-	(3,301)
Profit before tax		85,980	(5,515)	80,465
Income tax expense		(11,074)	(335)	(11,409)
Profit for the year	30.4.14	74,906	(5,850)	69,056

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. Explanation of transition to MFRS Framework (cont'd.)

30.2 Reconciliation of profit or loss and other comprehensive income for the year ended 31 March 2018 (cont'd.)

Group	Note	FRSs RM'000	Effect of transition to MFRSs RM'000	MFRSs RM'000
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Foreign currency translation differences for foreign operations		256	-	256
Other comprehensive income for the year		256	-	256
Total comprehensive income for the year		75,162	(5,850)	69,312
Profit attributable to:				
Owners of the Company		74,250	(7,175)	67,075
Non-controlling interests		656	1,325	1,981
Profit for the year		74,906	(5,850)	69,056
Total comprehensive income attributable to:				
Owners of the Company		74,506	(7,175)	67,331
Non-controlling interests		656	1,325	1,981
Total comprehensive income for the year		75,162	(5,850)	69,312
Basic earnings per ordinary share (sen):				
Basic		2.74		2.47
Diluted		2.68		2.42
Company				
	Note	FRSs RM'000	Effect of transition to MFRSs RM'000	MFRSs RM'000
Revenue		38,624	-	38,624
Other income		15,149	-	15,149
Staff costs		(4,288)	-	(4,288)
Other expenses		(6,389)	-	(6,389)
Operating profit		43,096	-	43,096
Finance costs		(1,736)	(1,461)	(3,197)
Profit before tax		41,360	(1,461)	39,899
Income tax expense		(1,234)	-	(1,234)
Profit for the year	30.4.14	40,126	(1,461)	38,665

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. Explanation of transition to MFRS Framework (cont'd.)

30.3 Material adjustments to the statement of cash flows for 2018

There are no material differences between the statement of cash flows presented under MFRSs and the statement of cash flows presented under FRSs.

30.4 Notes to reconciliation

30.4.1 Property, plant and equipment

The impact arising from the change is summarised as follows:

	Note	Effect of transition to MFRS	
		1 April 2017 RM'000	31 March 2018 RM'000
Group			
Reclassification of sales gallery from property development costs	(a)	9,602	8,745
Reclassification of bearer plant to property, plant and equipment	(b)	6,567	6,422
Others		(141)	(139)
		16,028	15,028

(a) Cost of development of sales galleries were previously classified as part of the development costs of property development units. The cost has been reclassified to property, plant and equipment ("PPE") to be in line with the definition of PPE and inventory in this set of financial statements.

(b) Bearer plant has been reclassified to PPE to conform with the current year presentation.

30.4.2 Land held for property development

The impact arising from the change is summarised as follows:

	Note	Effect of transition to MFRS	
		1 April 2017 RM'000	31 March 2018 RM'000
Group			
Asset acquisition from business combination	(a)	-	(19,947)
Reclassification to inventories	(b)	(157,640)	(470,537)
Others		(1,100)	(2,863)
		(158,740)	(493,347)

(a) The Group has early adopted the amendments to MFRS 3 "Definition of a Business". The amendments clarified that a business would have to include an input and a substantive process that together significantly contribute to the ability to create outputs.

The amendments also introduce an optional simplified assessment known as "concentration test" that, if met, eliminates the need for further assessment. Under this concentration test, if substantially all of the fair value of gross assets acquired is concentrated in a single identifiable asset (or a group of similar assets), the assets acquired would not represent a business.

The Group has applied the amendment to acquisitions on and after 1 April 2017. Accordingly, the acquisition of Triumph Bliss Sdn. Bhd. ("TBSB") in the previous year is now reflected as an asset acquisition instead of an acquisition of business. Consequently, the land held for property development acquired which was stated at fair value has been adjusted to be stated at cost.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. Explanation of transition to MFRS Framework (cont'd.)

30.4 Notes to reconciliation (cont'd.)

30.4.2 Land held for property development (cont'd.)

- (b) Under FRSs, land held for property development was previously classified as non-current assets stated at cost less any accumulated impairment losses. The costs attributable to development activities, is classified as property development costs and is stated at the lower of cost and net realisable value. In addition, sales commissions payable to secure contracts were expensed to profit or loss when they were incurred.

Under MFRSs, land held for property development and property development costs are classified as inventories as these assets are in the process of production for sale. These inventories are measured at the lower of cost and net realisable value.

The costs of properties under development, where there are valid contracts with customers and revenue is recognised over time, are being accounted for as costs of fulfilment of contracts and are being classified as contract assets. Consequently, land held for property development and related development costs have been reclassified as inventories and contract costs. Contract liabilities mainly relate to advance consideration received from customers and progress billings in excess of the Group's right to the consideration. Contract liabilities were previously classified under trade and other payables under FRS.

In addition, sales commissions and agency fees payable to secure contracts are being deferred and accounted for as costs to obtain contracts and amortised following the pattern of revenue recognition of the contracts, and are being classified as contract costs.

30.4.3 Adoption of new accounting policy on investment in subsidiaries and associates

In the previous financial statements prepared using FRS, the Group classified all loans and advances to subsidiaries and associates as financial instruments.

In the current year, the Group has adopted an accounting policy to include financial instrument (loans and advances), which, in substance, provides current access to the returns associated with an underlying ownership interest; or substantially all of the instrument's returns are driven by the financial performance of the associate such that the instrument provides an exposure similar to an investment in ordinary shares of the associate, as investment in subsidiaries or associates.

Consequently, the fair value of the amount due from associate previously classified as non-current trade and other receivables on initial recognition has been restated to cost and reclassified to investment in associate.

30.4.4 Property development costs

The impact arising from the change is summarised as follows:

	Note	Effect of transition to MFRS	
		1 April 2017	31 March 2018
		RM'000	RM'000
Group			
Reclassification of sales gallery to PPE	30.4.1(a)	(9,602)	(8,745)
Reclassification to inventories	30.4.2(b)	(194,183)	(199,849)
Reclassification to contract costs	30.4.2(b)	(15,140)	(24,113)
Others		(718)	1,909
		(219,643)	(230,798)

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. Explanation of transition to MFRS Framework (cont'd.)

30.4 Notes to reconciliation (cont'd.)

30.4.5 Trade and other receivables (Current)

The impact arising from the change is summarised as follows:

	Effect of transition to MFRS	
	1 April 2017	31 March 2018
	RM'000	RM'000
Group		
Reclassification of stakeholder sum to contract assets	(39,902)	(21,040)
Others	154	270
	(39,748)	(20,770)

Under FRSs, stakeholder sum was presented as trade receivables.

Under MFRSs, stakeholder sum is accounted and classified as a contract asset, since unconditional rights to consideration have yet to be established.

30.4.6 Other current assets

The impact arising from the change is summarised as follows:

	Note	Effect of transition to MFRS	
		1 April 2017	31 March 2018
		RM'000	RM'000
Group			
Reclassification from other investments	(a)	7,380	1,454
Reclassification from change in accounting policy of revenue recognition	30.4.2(b)	-	(14,067)
Others		-	884
		7,380	(11,729)

(a) Other investment has been reclassified to other current assets to conform with the current year's presentation.

30.4.7 Contract assets

The impact arising from the change is summarised as follows:

	Note	Effect of transition to MFRS	
		1 April 2017	31 March 2018
		RM'000	RM'000
Group			
Reclassification of stakeholder sum from trade and other receivables	30.4.5	39,902	21,040
Reclassification arising from change in accounting policy of revenue recognition	30.4.2(b)	1,623	24,746
		41,525	45,786

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. Explanation of transition to MFRS Framework (cont'd.)

30.4 Notes to reconciliation (cont'd.)

30.4.8 Contract costs

		Effect of transition to MFRS	
	Note	1 April 2017 RM'000	31 March 2018 RM'000
Group			
Reclassification of contract costs from property development costs	30.4.4	15,140	24,113
Sales commission and agency fees deferment	30.4.2(b)	5,870	7,078
		21,010	31,191

In addition, sales commissions and agency fees payable to secure contracts are being deferred and accounted for as costs to obtain contracts and amortised following the pattern of revenue recognition of the contracts, and are being classified as contract costs.

30.4.9 Retained profits

The impact arising from the change is summarised as follows:

		Effect of transition to MFRS	
	Note	1 April 2017 RM'000	31 March 2018 RM'000
Group			
Reclassification from other reserves to retained profits	(a)	8,859	8,859
Others		2,023	(5,152)
		10,882	3,707

(a) As allowed by MFRS1, the Group has elected to reset its exchange reserve as at date of transition to zero. Accordingly, the Group's exchange reserve of RM8,859,000 as at 1 April 2017 was reclassified to retained earnings.

30.4.10 Trade and other payables

The impact arising from the change is summarised as follows:

		Effect of transition to MFRS	
		1 April 2017 RM'000	31 March 2018 RM'000'
Group			
Reclassification to contract liabilities		(4,582)	(3,934)
Others		291	(1,365)
		(4,291)	(5,299)

In the previous financial statements prepared using FRSS, progress billings in respect of property development costs and deferred income arising from education services were classified in trade and other payables.

Under MFRSS, such liabilities which represent the Group's excess of obligations over the rights of contract to customers are classified as contract liabilities.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. Explanation of transition to MFRS Framework (cont'd.)

30.4 Notes to reconciliation (cont'd.)

30.4.11 Deferred tax liabilities

The impact arising from the change is summarised as follows:

	Note	Effect of transition to MFRS 31 March 2018 RM'000
Group		
Asset acquisition from business combination	30.4.2(a)	(19,947)
Others		221
		(19,726)

30.4.12 Contract liabilities

The impact arising from the change is summarised as follows:

	Note	Effect of transition to MFRS 1 April 2017 RM'000	31 March 2018 RM'000
Group			
Reclassification from trade and other payables	30.4.10	(4,582)	(3,934)
Others		(1,678)	(14,401)
		(6,260)	(18,335)

30.4.13 Contingent consideration

The impact arising from the change is summarised as follows:

	31 March 2018 RM'000 Company
Investment in subsidiaries	14,620
Trade and other payables	
- Contingent consideration	(14,620)
- Others	(1,461)
	(16,081)

Contingent consideration payable for the acquisition of the subsidiaries taken up at Group in the previous financial year has now been reflected at Company level to properly reflect the obligation of the Company.

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. Explanation of transition to MFRS Framework (cont'd.)

30.4 Notes to reconciliation (cont'd.)

30.4.14 Profit for the year

The impact arising from the change is summarised as follows:

	Note	Effect of transition to MFRS 31 March 2018 RM'000
Group		
Adoption of new accounting policy on investment in associate	(a)	(6,576)
Others	(b)	726
		(5,850)

(a) Following the adoption of new accounting policy on investment in associate mentioned in Note 30.4.3, interest income arising from the unwinding of discount is being reversed.

(b) The remaining impacts in the profit or loss were mainly arising from the change in accounting policies in the revenue recognition and borrowing costs capitalisation.

30.4.15 Accounting for financial instruments

Classification of financial assets and financial liabilities on the date of initial application of MFRS 9

The following table shows the measurement categories under MFRS 139 and the new measurement categories under MFRS 9 for each class of the Company's financial assets and financial liabilities as at 1 April 2018:

Category under MFRS 139	Note	31 March 2018 RM'000	1 April 2018		
			Remeasurement RM'000	Reclassification to new MFRS 9 category	
				Amortised Cost ("AC") RM'000	Fair Value Through Profit or Loss ("FVTPL") RM'000
Group					
Financial assets					
Loans and receivables					
Trade and other receivables	(i)	17,588	-	17,588	-
Deposits, cash and bank balances	(i)	385,422	-	385,422	-
		403,010	-	403,010	-
Fair value through profit or loss					
Other investment		11,900	-	-	11,900
Money market funds		1,454	-	-	1,454
		13,354	-	-	13,354

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

30. Explanation of transition to MFRS Framework (cont'd.)

30.4 Notes to reconciliation (cont'd.)

30.4.15 Accounting for financial instruments (cont'd.)

Classification of financial assets and financial liabilities on the date of initial application of MFRS 9 (cont'd.)

Category under MFRS 139			Note	31 March 2018 RM'000	1 April 2018		
					Remeasurement RM'000	Reclassification to new MFRS 9 category	
						Amortised Cost ("AC") RM'000	Fair Value Through Profit or Loss ("FVTPL") RM'000
Company							
Financial assets							
Loans and receivables							
Trade and other receivables			(i)	87,802	-	87,802	-
Deposits, cash and bank balances			(i)	96,720	-	96,720	-
				184,522	-	184,522	-
Financial assets							
Fair value through profit or loss							
Other investment				11,900	-	-	11,900
Money market funds				729	-	-	729
				12,629	-	-	12,629
Group							
Financial liabilities measured at amortised costs							
Borrowings				190,525	-	190,525	-
Trade and other payables				87,126	-	87,126	-
				277,651	-	277,651	-
Fair value through profit or loss							
Trade and other payables				18,030	-	-	18,030
Company							
Financial liabilities measured at amortised costs							
Borrowings				326	-	326	-
Trade and other payables				15,949	-	15,949	-
				16,275	-	16,275	-
Fair value through profit or loss							
Trade and other payables				18,030	-	-	18,030

(i) *Reclassification from loans and receivables to amortised cost*

The financial assets that were classified as loans and receivables under MFRS 139 are now reclassified at amortised cost. There is no change in the carrying amount.

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

In the opinion of the Directors, the financial statements set out on pages 74 to 160 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 March 2019 and of their financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

Low Gay Teck

Ferdaus Bin Mahmood

Kuala Lumpur,

Date: 18 July 2019

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, **Chee Yuet Sin** (CA 11452), the officer primarily responsible for the financial management of Land & General Berhad, do solemnly and sincerely declare that the financial statements set out on pages 74 to 160 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Chee Yuet Sin, at Kuala Lumpur in the Federal Territory on 18 July 2019.

Chee Yuet Sin

Before me:

Pesuruhjaya Sumpah Malaysia
Tan Seok Kett (W530)
Lot 333, 3rd Floor, Wisma MPL
Jalan Raja Chulan
50200 Kuala Lumpur

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LAND & GENERAL BERHAD

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Land & General Berhad, which comprise the statements of financial position as at 31 March 2019 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 74 to 160.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 March 2019, and of their financial performance and their cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The key audit matters are as follows:

1. Revenue recognition
Refer to Note 2(r) (significant accounting policies) and Note 18 (financial disclosures)

The key audit matter

How the matter was addressed in our audit

The Group's largest revenue stream relates to property development activities of which significant management judgment is involved in the assessment of the current and future financial performance of the contracts.

On adoption of MFRS 15, Revenue from Contract with Customers, the Group changed accounting policies on revenue recognition.

Consequently, new judgements were required to evaluate contracts with customers, in particular on the number of performance obligations, allocation of transaction price to each performance obligation and the determination of whether revenue for each contract is to be recognised over time or at a point in time. In addition, new disclosure were made in the financial statements.

Property development revenue is recognised over time by reference to the proportion that property development costs incurred for work performed to-date bear to the estimated total property development costs.

We performed the following audit procedures, among others:

- We selected samples of sale and purchase agreements and obtained sufficient and appropriate evidence to support that they met all the criteria to recognise revenue.
- We determined that management has identified distinct performance obligations appropriately and transaction price was appropriately allocated to each performance obligation.
- We determined that transaction price was appropriately determined by verifying to agreements and other correspondences.
- We identified and tested the effectiveness of controls surrounding preparation of budgeted costs to completion.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LAND & GENERAL BERHAD (CONT'D)

Key Audit Matters (cont'd.)

1. Revenue recognition (cont'd.)

Refer to Note 2(r) (significant accounting policies) and Note 18 (financial disclosures) (cont'd.)

The key audit matter

As disclosed in Note 1(d) to the financial statements, the accurate recording of revenue is highly dependent on judgment exercised by the management in assessing the completeness and accuracy of estimated cost to complete, and the ability to deliver the properties within the contracted time.

We focused on this area as a key audit matter due to the degree of management judgement involved. Changes in judgements and the related estimates throughout a property development life can result in material adjustments to revenue and profit margin.

How the matter was addressed in our audit

- We selected sample of budgeted costs to completion and obtained evidence that the costs were appropriately supported by contracts or letter of awards.
- We performed re-computation to assess the percentage of completion and determined the accuracy of the revenue recognised.
- We assessed the completeness, accuracy and relevance of disclosures required by MFRS 15.

2. Transition from Financial Reporting Standards to Malaysian Financial Reporting Standards ("MFRSs")

Refer to Note 2(a) (significant accounting policies) and Note 30 (financial disclosures)

The key audit matter

The Group and the Company adopted MFRSs and International Financial Reporting Standards ("IFRS") on 1 April 2018 with a transition date of 1 April 2017.

Consequently, the Group and the Company have chosen to change accounting policies previously adopted in the preparation of financial statements using Financial Reporting Standards Framework.

The new accounting policies adopted, in particular on investment in subsidiaries and associates require the Directors to exercise significant judgement.

This area is a key audit matter because it required significant judgement from us.

How the matter was addressed in our audit

We performed the following audit procedures, among others:

- We evaluated the appropriateness of the accounting policies based on the requirements of the new standards, our business understanding and industry practice.
- We gained understanding on the transition approach.
- We challenged key judgements and estimates made in preparing the transition adjustments by performing separate independent assessments.
- We assessed the completeness, accuracy and relevance of data used in preparing the transition adjustments.
- We assessed the completeness, accuracy and relevance of the transition disclosures.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in Directors' Report and Statement on Risk Management and Internal Control (but does not include the financial statements of the Company and our auditors' report thereon), which we obtained prior to the date of this auditors' report, and the remaining parts of the annual report, which are expected to be made available to us after that date.

Our opinion on the financial statements of the Company does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the remaining parts of the annual report, if we conclude that there is a material misstatement thereon, we are required to communicate the matter to the Directors of the Company and take appropriate actions in accordance with approved standards on auditing in Malaysia and International Standards on Auditing.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LAND & GENERAL BERHAD (CONT'D)

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LAND & GENERAL BERHAD (CONT'D)

Auditors' Responsibilities for the Audit of the Financial Statements (cont'd.)

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors in Note 8 to the financial statements.

Other Matters

1. The financial statements of the Group and of the Company as at and for the year ended 31 March 2018, prepared in accordance with Financial Reporting Standards in Malaysia, were audited by another auditor who expressed an unmodified opinion on those statements on 27 July 2018.
2. As stated in Note 1(a) to the financial statements, the Group and the Company adopted Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS") on 1 April 2018 with a transition date of 1 April 2017. These standards were applied retrospectively by the Directors to the comparative information in these financial statements, including the statements of financial position as at 31 March 2018 and 1 April 2017, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows for the year ended 31 March 2018 and related disclosures. We were not engaged to report on the comparative information that is prepared in accordance with MFRS and IFRS, and hence it is unaudited. Our responsibilities as part of our audit of the financial statements of the Group and of the Company for the year ended 31 March 2019 have, in these circumstances, included obtaining sufficient appropriate audit evidence that the opening balances as at 1 April 2018 do not contain misstatements that materially affect the financial position as at 31 March 2019, and the financial performance and cash flows for the year then ended.
3. This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants Chartered Accountant

Thong Foo Vung
Approval Number: 02867/08/2020 J

Petaling Jaya, Selangor

Date: 18 July 2019

LIST OF PROPERTIES

AS AT 31 MARCH 2019

	LOCATION	PURPOSE/ EXISTING AREA	TENURE	AGE OF BUILDING (YEARS)	LAND AREA (HECTARES)	BUILT-UP/ NET LETTABLE AREA* (SQ FT)	NET BOOK VALUE RM'000
1	HS(D) 59903, P.T. No. 16731 Mukim and District of Petaling Selangor	Land held for development	Leasehold	-	7.99	-	242,856
2	Compartment 32 Hutan Simpan Bukit Cherakah, Mukim Bukit Raja, Daerah Petaling, Shah Alam Selangor	Land held for development	Leasehold	-	45.47	-	121,399
3	331357, Lot No 125847 Section 2 Town of Ulu Kelang, District of Gombak, Selangor	Land held for development	Freehold	-	1.76	-	70,324
4	Lot 3, Presint 3, Town and District of Putrajaya, State of Wilayah Persekutuan, Putrajaya	13-storey stratified office	Freehold	4	-	132,687*	60,292
5	Lot 55348 Mukim Batu, Kuala Lumpur	Land held for development	Freehold	-	0.72	-	53,138
6	Ladang Kerling Mukim Kerling District of Ulu Selangor Selangor	Rubber and oil palm estate	Freehold	-	1,009.71	-	48,146
7	Lot no.62539 PT 120097 Jalan SD 12/5 Sri Damansara	Commercial units Car park L&G office	Freehold	6	3.45	375,831	24,445
8	Sena Parc Housing Development Project - Balance of development land in Mukim Ampangan and Pekan Sungai Gadut, Daerah Seremban, Negeri Sembilan	Land held for development	Freehold	-	68.75	-	19,744
9	Bandar Sri Damansara Housing Development Project - Balance of development land in Mukim Sungai Buloh District of Petaling, Gombak, Selangor	Land held for development	Freehold	-	9.53	-	13,822
10	Sekolah Sri Bestari, Persiaran Margosa, Bandar Sri Damansara, Kuala Lumpur	School land and building	Leasehold land expiring in 2110	20-22	6.07	143,900	12,221
11	Lot 2058 & 2059, Mukim Tebrau, Daerah Johor Bahru, Johor	Land held for development Vacant industrial land	Freehold	-	5.56	-	11,988
12	Lot Nos.659,663,664 & 665 Mukim Sungai Petani, District of Kuala Muda, Kedah	Land held for development	Freehold	-	14.71	-	6,859
13	Lot 23304, Persiaran Perdana, Bandar Sri Damansara, Kuala Lumpur	Land held for development/ Investment properties	Freehold	-	13.90	-	3,602

ANALYSIS OF SHAREHOLDINGS

AS AT 28 JUNE 2019

Type of Shares : Ordinary Shares
Total issued shares : 2,973,135,003 Ordinary Shares

Voting Rights

On show of hands : one (1) vote for every member of the Company present in person or by proxy
On a poll : one (1) vote for each share held

DISTRIBUTION OF SHAREHOLDINGS

Category	NO. OF SHAREHOLDERS	NO. OF SHARES	% OF ISSUED SHARE CAPITAL
Less than 100	221	6,714	negligible
100 - 1,000	3,106	2,755,484	0.09
1,001 - 10,000	8,533	42,757,506	1.44
10,001 - 100,000	8,142	310,010,689	10.43
100,001 - less than 5% of issued shares	2,421	1,584,831,010	53.30
5% and above of issued shares	2	1,032,773,600	34.74
TOTAL	22,425	2,973,135,003	100.00

SUBSTANTIAL SHAREHOLDER

Name	DIRECT		INDIRECT	
	No. of Shares	%	No. of Shares	%
1) Mayland Parkview Sdn Bhd	1,032,773,600	34.74	-	-

DIRECTORS' INTEREST IN SHARES

Name	DIRECT		INDIRECT	
	No. of Shares	%	No. of Shares	%
1) Dato' Hj Zainal Abidin Bin Putih	-	-	-	-
2) Low Gay Teck	-	-	-	-
3) Ferdaus Mahmood	-	-	-	-
4) Dato' Ir Dr A Bakar Jaafar	-	-	-	-
5) Dato' Hj Ikhwan Salim Dato' Hj Sujak	-	-	-	-
6) Tengku Maruan Tengku Ariff	2,000	negligible	-	-
7) Hoong Cheong Thard	-	-	-	-
8) Chiu Andrew Wah Wai	-	-	1,032,773,600*	34.74*
9) Dato' Pahlawan Mohd Shukri Dahlan	2,000	negligible	-	-
10) Dato' Noorizah Hj Abd Hamid	-	-	-	-

Note * Deemed interest through Mayland Parkview Sdn Bhd

LIST OF TOP 30 SHAREHOLDERS

LIST OF TOP 30 SHAREHOLDERS AS AT 28 JUNE 2019

NO.	NAME	HOLDINGS	%
1	PUBLIC NOMINEES (ASING) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MAYLAND PARKVIEW SDN BHD (KLC)	703,000,000	23.65
2	MAYLAND PARKVIEW SDN BHD	329,773,600	11.09
3	URUSHARTA JAMAAH SDN BHD	126,094,540	4.24
4	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD (PHEIM)	30,059,940	1.01
5	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM PEI TIAM @ LIAM AHAT KIAT	28,000,000	0.94
6	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR DIMENSIONAL EMERGING MARKETS VALUE FUND	27,916,520	0.94
7	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR EMERGING MARKET CORE EQUITY PORTFOLIO DFA INVESTMENT DIMENSIONS GROUP INC	22,149,620	0.74
8	TOH KIM CHONG	19,990,000	0.67
9	JS NOMINEES (ASING) SDN BHD EXEMPT AN FOR CGS-CIMB SECURITIES (SINGAPORE) PTE LTD (RETAIL CLIENTS)	19,592,857	0.66
10	PUBLIC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR NIK AWANG @ WAN AZMI BIN WAN HAMZAH (E-KPG/JRL)	16,460,000	0.55
11	CITIGROUP NOMINEES (ASING) SDN BHD CBNY FOR DFA EMERGING MARKETS SMALL CAP SERIES	15,164,960	0.51
12	YONG HUA KONG	14,300,000	0.48
13	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TAN CHANG JOON	12,500,000	0.42
14	CHONG AH HIM @ CHONG KUM KWAN	12,157,600	0.41
15	MENTA CONSTRUCTION SDN BHD	10,303,800	0.35
16	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LIM PAY KAON	10,000,000	0.34
17	CHA AU PENG	9,400,000	0.32
18	UOB KAY HIAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	9,394,635	0.32
19	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHEONG CHEN YUE	8,750,000	0.29
20	TEE BON PENG	8,497,000	0.29
21	MUHAMAD ALOYSIUS HENG	8,084,600	0.27
22	LEE HAW SHYANG	8,000,000	0.27
23	KENANGA NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR TEH SIEW WAH (021)	7,500,000	0.25
24	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR MAH SIEW SEONG	7,354,800	0.25
25	TAN SIOW BENG	7,023,180	0.24
26	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD PHEIM ASSET MANAGEMENT SDN BHD FOR PROGRESSIVE INSURANCE BERHAD (A/C231)	6,554,600	0.22
27	CIMSEC NOMINEES (TEMPATAN) SDN BHD CIMB FOR LEE KENG HONG (PB)	6,500,000	0.22
28	TAN KWEE HEE	6,062,200	0.20
29	CIMSEC NOMINEES (ASING) SDN BHD CIMB BANK FOR FIRSTWAY UNITED CORP (PBCL-0G0152)	6,000,000	0.20
30	GOLDEN FRESH SDN BHD	6,000,000	0.20

NOTICE OF THE FIFTY-SIXTH (56TH) ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fifty-Sixth (56th) Annual General Meeting (“AGM”) of Land & General Berhad (“L&G”) will be held at the Saga Room, the Sri Damansara Club, Lot 23304, Persiaran Perdana, Bandar Sri Damansara, 52200 Kuala Lumpur on Wednesday, 18 September 2019 at 10.00 a.m. for the following purposes:-

Item Agenda

- | | | |
|----|--|---|
| 1. | To receive and adopt the Audited Financial Statements for the financial year ended 31 March 2019 and the Reports of the Directors and Auditors thereon. | Please refer Explanatory Note 2(i) |
| 2. | To declare and approve payment of a single tier final dividend of 1.0 sen per ordinary share in respect of the financial year ended 31 March 2019. | Ordinary Resolution 1 |
| 3. | To approve the payment of Directors’ fees of RM552,375 in respect of the financial year ended 31 March 2019. | Ordinary Resolution 2 |
| 4. | To approve Directors’ Meeting Allowances to Non-Executive Directors up to an amount of RM119,000 from 19 September 2019 until the next AGM of the Company. | Ordinary Resolution 3 |
| 5. | To re-elect the following Directors who retire pursuant to Clause 102 of the Constitution of the Company: | |
| | (a) Dato’ Ir Dr A Bakar Jaafar; | Ordinary Resolution 4 |
| | (b) Encik Ferdaus Mahmood; and | Ordinary Resolution 5 |
| | (c) Mr Hoong Cheong Thard. | Ordinary Resolution 6 |
| 6. | To re-elect Dato’ Noorizah Binti Hj Abd Hamid who retires pursuant to Clause 106 of the Constitution of the Company. | Ordinary Resolution 7 |
| 7. | To appoint Messrs KPMG PLT as Auditors of the Company and to authorise the Directors to fix their remuneration. | Ordinary Resolution 8 |

AS SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolutions :-

- | | | |
|-----|--|-------------------------------|
| 8. | Authority to allot shares pursuant to Section 75 and 76 of the Companies Act, 2016 | Ordinary Resolution 9 |
| | <p>“THAT pursuant to Section 75 and 76 of the Companies Act, 2016, the Directors be and are hereby authorised to allot and issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares to be allotted and issued does not exceed 10% of the total issued shares of the Company for the time being and that the Directors be and are also empowered to obtain approval for the listing of and quotation for the additional shares so issued on Bursa Malaysia Securities Berhad, subject always to the approval of all relevant regulatory bodies being obtained for such issues.”</p> | |
| 9. | Continuing in Office as Independent Non-Executive Director
- Dato’ Hj Zainal Abidin Putih | Ordinary Resolution 10 |
| | <p>“THAT authority be and is hereby given to Dato’Hj Zainal Abidin Putih who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to serve as an Independent Non-Executive Director of the Company.”</p> | |
| 10. | Continuing in Office as Independent Non-Executive Director
- Dato’ Ir Dr A Bakar Jaafar | Ordinary Resolution 11 |
| | <p>“THAT authority be and is hereby given to Dato’ Ir Dr A Bakar Jaafar who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to serve as an Independent Non-Executive Director of the Company.”</p> | |

NOTICE OF THE FIFTY-SIXTH (56TH) ANNUAL GENERAL MEETING (CONT'D)

11. Continuing in Office as Independent Non-Executive Director - Dato' Hj Ikhwan Salim Dato' Hj Sujak

**Ordinary
Resolution 12**

"**THAT** authority be and is hereby given to Dato' Hj Ikhwan Salim Dato' Hj Sujak who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, to continue to serve as an Independent Non-Executive Director of the Company."

12. To transact any other business for which due notice shall have been given in accordance with the Company's Constitution and the Companies Act, 2016.

NOTICE OF DIVIDEND ENTITLEMENT AND PAYMENT

NOTICE IS HEREBY GIVEN THAT, subject to the approval of the shareholders at the 56th AGM of L&G, a single tier final dividend of 1.0 sen per ordinary share in respect of financial year ended 31 March 2019 will be payable to the shareholders of the Company on 23 October 2019. The entitlement date of the said dividend shall be 8 October 2019.

A depositor shall qualify for entitlement to the dividend only in respect of:

- (a) shares transferred to the depositor's securities account before 4.00 p.m. on 8 October 2019 in respect of transfers; and
- (b) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

By order of the Board

Lee Siw Yeng (MAICSA 7048942)
SSM Practising Certificate No. 201908001160
Secretary

Kuala Lumpur
31 July 2019

Notes:-

1. Appointment of Proxy

- (i) A member entitled to attend and vote at this Meeting is entitled to appoint a proxy or proxies to attend and vote in his stead.

A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy.

A proxy appointed to attend and vote at a meeting of the Company shall have the same right as the Member to speak at the meeting.

- (ii) A member shall be entitled to appoint not more than two proxies to attend and vote at the AGM.

- (iii) Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.

- (iv) Where a Member appoints two proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.

Where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.

- (v) The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his attorney, and in the case of a corporation either under its common seal or signed by its attorney or by an officer on behalf of the corporation.

NOTICE OF THE FIFTY-SIXTH (56TH) ANNUAL GENERAL MEETING (CONT'D)

- (vi) The Proxy Form, duly completed, must be deposited at the Registered Office of the Company at 8trium, Level 21 Menara 1, Jalan Cempaka SD12/5, Bandar Sri Damansara, 52200 Kuala Lumpur via post/courier/by hand or via email to lgbsec@land-general.com or via facsimile to Fax No. 603-6277 7061, not less than forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof, or in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.
- (vii) Only members whose names appear in the Record of Depositors as at **10 September 2019** will be entitled to attend and vote at the meeting or appoint proxy (proxies) to attend and vote on their behalf.

2. Explanatory Notes

- (i) **Item 1 of the Agenda – Audited Financial Statements for the financial year ended 31 March 2019**
This agenda is laid before the AGM pursuant to Section 340(1) of the Companies Act, 2016, and does not require a formal approval of the shareholders. As such, it is meant for discussion only and not put forward for voting.
- (ii) **Ordinary Resolution 2 – Payment of Directors' fees**
The directors' fees for the financial year ended 31 March 2019 was RM552,375 (2018: RM515,833). The directors' fees for the financial year ended 31 March 2019 is higher as compared to the preceding financial year due to additional number of directors' circular resolutions signed by the Directors during the financial year. There was no change in fee and its structure since the preceding financial year. Please refer to the Corporate Governance Overview Statement for the components of the Directors' remuneration.
- (iii) **Ordinary Resolution 3 – Meeting Allowances**
The meeting allowance for each Non-Executive Director is RM1,000.00 per meeting attendance and the total estimated meeting allowances amounting to RM119,000.00 are calculated based on the estimated number of meetings for Board and Board Committees from 19 September 2019 until the next AGM in year 2020.
- (iv) **Ordinary Resolution 8 – Appointment of KPMG PLT as Auditors**
Pursuant to Section 271(2)(b) of the Companies Act, 2016, the Board of Directors of the Company had appointed Messrs KPMG PLT as Auditors of the Company with effect from their consent to act as Auditors dated 1 March 2019 following the resignation of Messrs Ernst & Young as Auditors with effect from 13 February 2019.
- (v) **Ordinary Resolution 9 – Authority to allot shares pursuant to Section 75 and 76 of the Companies Act, 2016**
The proposed Ordinary Resolution 9, if passed, will empower the Directors to allot and issue ordinary shares of the Company up to an amount not exceeding 10% of the total issued shares of the Company for purpose of fund raising exercise including but not limited to further placement of shares for purpose of funding current and/or future projects, working capital, acquisition and/or for issuance of shares as settlement of purchase consideration. This authority unless revoked or varied at a general meeting will expire at the next Annual General Meeting.

As at the date of this notice, there was no issuance of new ordinary shares by the Company pursuant to the mandate obtained at the 55th AGM held on 12 September 2018 and the Directors do not intend to utilise the mandate from the date of issuance of this Annual Report up to the expiry of the said mandate.

- (vi) **Ordinary Resolution 10 – Continuing in Office as Independent Non-Executive Director – Dato' Hj Zainal Abidin Putih**
The Nominating Committee has assessed the independence of Dato' Hj Zainal Abidin Putih, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, and recommended Dato' Hj Zainal Abidin Putih to continue to serve as an Independent Non-Executive Director of the Company based on the following justifications:-
 - a. he fulfills the criteria of an Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
 - b. he provides the Board a diverse set of experience, skill and expertise as he is a highly qualified person with diverse and in-depth work experience in different industries;
 - c. he is familiar with the Company's business operations and the property development market as he has been with the Company for more than 9 years and is aware of current issues confronting the company and he continues to provide valuable input to steer the Company forward; and
 - d. he has devoted sufficient time and attention to his professional obligations for informed and balanced decision making and he has not over-committed himself to other directorships, his personal affair or business.

NOTICE OF THE FIFTY-SIXTH (56TH) ANNUAL GENERAL MEETING (CONT'D)

(vii) **Ordinary Resolution 11 – Continuing in Office as Independent Non-Executive Director – Dato' Ir Dr A Bakar Jaafar**

The Nominating Committee has assessed the independence of Dato' Ir Dr A Bakar Jaafar, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, and recommended Dato' Ir Dr A Bakar Jaafar to continue to serve as an Independent Non-Executive Director of the Company based on the following justifications:-

- a. he fulfills the criteria of an Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
- b. he provides the Board a diverse set of experience, skill and expertise as he is a highly qualified person who has been contributing to academic fields relating to science and technology as well as serving government agencies for many years;
- c. he is familiar with the Company's business operations and the property development market as he has been with the Company for more than 9 years and is aware of current issues confronting the Company and he continues to provide valuable input to steer the Company forward; and
- d. he has devoted sufficient time and attention to his professional obligations for informed and balanced decision making.

(viii) **Ordinary Resolution 12 – Continuing in Office as Independent Non-Executive Director – Dato' Hj Ikhwan Salim Dato' Hj Sujak**

The Nominating Committee has assessed the independence of Dato' Hj Ikhwan Salim Dato' Hj Sujak, who has served as an Independent Non-Executive Director of the Company for a cumulative term of more than nine years, and recommended Dato' Hj Ikhwan Salim Dato' Hj Sujak to continue to serve as an Independent Non-Executive Director of the Company based on the following justifications:-

- a. he fulfills the criteria of an Independent Director pursuant to the Main Market Listing Requirements of Bursa Malaysia Securities Berhad;
- b. he provides the Board a diverse set of experience, skill and expertise as he is a highly experienced in financial and risk matters;
- c. he is familiar with the Company's business operations and the property development market as he has been with the Company for more than 9 years and is aware of current issues confronting the Company and he continues to provide valuable input to steer the Company forward; and
- d. he has devoted sufficient time and attention to his professional obligations for informed and balanced decision making.

PROXY FORM



LAND & GENERAL BERHAD
(Company No.: 5507-H)
(Incorporated in Malaysia)

I/We _____
(FULL NAME IN BLOCK LETTERS AND NRIC NO./PASSPORT NO./COMPANY NO.)

of _____
(ADDRESS IN FULL)

being a member / members of **LAND & GENERAL BERHAD** hereby appoint _____

(FULL NAME IN BLOCK LETTERS AND NRIC NO./PASSPORT NO./COMPANY NO.)

or failing him, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us and on my/our behalf at the Fifty-Sixth (56th) Annual General Meeting of Land & General Berhad to be held at the Saga Room, the Sri Damansara Club, Lot 23304, Persiaran Perdana, Bandar Sri Damansara, 52200 Kuala Lumpur on Wednesday, 18 September 2019 at 10.00 a.m. and at any adjournment thereof.

My/our proxy/proxies shall vote as indicated below:-

Item	Agenda	Resolution	For	Against
1.	Declaration and payment of final dividend	Ordinary Resolution 1		
2.	Payment of Directors' fees	Ordinary Resolution 2		
3.	Payment of Meeting Allowances	Ordinary Resolution 3		
4.	Re-election of the following Directors pursuant to Clause 102 :			
	(i) Dato' Ir Dr A Bakar Jaafar	Ordinary Resolution 4		
	(ii) Encik Ferdaus Mahmood	Ordinary Resolution 5		
	(iii) Mr Hoong Cheong Thard	Ordinary Resolution 6		
5.	Re-election of Dato' Noorizah Binti Hj Abd Hamid pursuant to Clause 106	Ordinary Resolution 7		
6.	Re-appointment of Auditors	Ordinary Resolution 8		
7.	Authority to allot shares pursuant to Section 75 & 76, Companies Act 2016	Ordinary Resolution 9		
8.	Continuing in office as Independent Non-Executive Director - Dato' Hj Zainal Abidin Putih	Ordinary Resolution 10		
9.	Continuing in office as Independent Non-Executive Director - Dato' Ir Dr A Bakar Jaafar	Ordinary Resolution 11		
10.	Continuing in office as Independent Non-Executive Director - Dato' Hj Ikhwan Salim Dato' Hj Sujak	Ordinary Resolution 12		

(Please indicate with an "X" in the spaces provided how you wish your votes to be cast on the resolutions specified. If you do not do so, your proxy/proxies will vote or abstain from voting at his/her/their discretion.)

No. of Shares	
CDS Account No.	
Contact No.	

Signature : _____

Date : _____

Notes:

1. Appointment of Proxy

- A member entitled to attend and vote at this Meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a member of the Company. There shall be no restriction as to the qualification of the proxy. A proxy appointed to attend and vote at a meeting of the Company shall have the same right as the Member to speak at the meeting.
- A member shall be entitled to appoint not more than two proxies to attend and vote at the AGM.
- Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
An exempt authorised nominee refers to an authorised nominee defined under the SICDA which is exempted from compliance with the provisions of subsection 25A(1) of SICDA.
- Where a Member appoints two proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.

Where an exempt authorised nominee appoints two (2) or more proxies, the proportion of shareholdings to be represented by each proxy must be specified in the instrument appointing the proxies.

The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his attorney, and in the case of a corporation either under its common seal or signed by its attorney or by an officer on behalf of the corporation.

The Proxy Form, duly completed, must be deposited at the Registered Office of the Company at **8th Floor, Level 21 Menara 1, Jalan Cempaka SD12/5, Bandar Sri Damansara, 52200 Kuala Lumpur** via post/courier/by hand or via email to lgbssec@land-general.com or via facsimile to **Fax No. 603-6277 7061**, not less than forty-eight (48) hours before the time set for holding the Meeting or any adjournment thereof, or in the case of a poll, not less than twenty-four (24) hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

Only members whose names appear in the Record of Depositors as at **10 September 2019** will be entitled to attend and vote at the meeting or appoint proxy (proxies) to attend and vote on their behalf.

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Stamp

The Secretary
LAND & GENERAL BERHAD (5507-H)
8TRIUM, LEVEL 21, MENARA 1
JALAN CEMPAKA SD12/5
BANDAR SRI DAMANSARA
52200 KUALA LUMPUR
MALAYSIA

Please fold here

LAND & GENERAL BERHAD (5507-H)

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